Daily Report

Latin America

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Reportage on 21st OAS General Assembly

Human Rights Resolution Approved

PY0706032691 Santiago Television Nacional de Chile Network in Spanish 0000 GMT 7 Jun 91

[Excerpts] The delegates of the 34 countries who are participating in the OAS assembly here in Santiago have approved by consensus a program of recommendations to safeguard human rights in all the states of the region.

[Begin recording] [Reporter] Before voting took place on the program, an extensive document on the situation in the region was released by the Inter-American Humans Rights Commission. This report points out problems in this field in countries such as El Salvador, Guatemala, Haiti, Nicaragua, Panama, and Cuba.

The topic was intensely debated and the resolution was finally approved. It urges member countries to ratify the inter-American legal instruments on the protection and defense of human rights.

The countries are also advised to study the possibility of creating national organizations to promote compliance with and defense of human rights, an example of which would be the establishment of a post of attorney general for human rights.

They are also urged to reaffirm their condemnation of terrorism and their commitment to fight against that activity within the framework of a state of war. [passage omitted]

Sola Sierra, president of the Group of Relatives of Detained-Missing Persons, had earlier been asked by security officials to leave the chamber because she did not have the appropriate credentials. After a few minutes of discussion in which the leader pointed out that she had the right to be there to debate a topic of great concern to her, she was allowed to remain in the chamber. [end recording]

Bolivia 'Disappointed' on Sea Outlet

PY0706025691 Santiago Radio Chilena Network in Spanish 1700 GMT 6 Jun 91

[Text] Bolivian Foreign Minister Carlos Iturralde has said that he is disappointed over the democratic Chilean Government's failure to change its attitude—as compared to that of the previous government—toward Bolivia's landlocked situation.

Iturralde talked to reporters this morning after yesterday's plenary session of the OAS failed—for the second consecutive year—to issue a resolution on granting Bolivia access to the Pacific Ocean.

Iturralde was asked whether he was disappointed over this situation:

[Begin recording] Yes, I can tell you that progress has clearly been made on several other issues. I still hope that we will make progress on this subject as well. [end recording]

Iturralde said he disagrees with Chilean Foreign Minister Enrique Silva Cimma that discussions on this issue would be sterile and useless. The Bolivian minister said, in his opinion, that is not the case, and he added that Bolivia will continue to raise the issue at the OAS.

Iturralde said the OAS has the responsibility of exercising influence and recommending that countries engage in dialogue to resolve issues. He stressed that an outlet to the sea is a major, unyielding objective for Bolivia.

Peru Calls for International Forum

PY0606135191 Madrid EFE in Spanish 2243 GMT 4 Jun 91

[Text] Santiago, 4 Jun (EFE)—Peruvian Foreign Minister Carlos Torres y Torres Lara proposed here today that an international forum be called to define the subjects in which the region will be interested in this decade, with a view toward strengthening the OAS.

Addressing the 21st OAS General Assembly here in Santiago, Torres y Torres said that this international forum should be attended by prominent political figures, outstanding academicians, specialized journalists, and by the main leaders of the subregional integration organizations.

He added that the forum should be also attended by business and labor representatives and by the main officials of the Latin American Economic System (SELA), the Latin American Integration Association (ALADI), the Inter-American Development Bank (IDB), the World Bank, and other organizations.

Torres y Torres said that among other subjects, the forum should debate the strengthening of democracy, security, integration, the "Americas Initiative," extreme poverty, drugs, terrorism, human rights, environmental preservation, and the role of the OAS in the next few years.

The Peruvian foreign minister said that in addition to strengthening the OAS, the forum could improve the organization's image and could move the OAS closer to the region's grass roots "because it will be dealing with crucial issues."

After reviewing the history of the OAS and of integration efforts on the continent, the Peruvian minister deplored that so much of the work done in a decade has become stagnated.

He added: "We have not yet been able to overcome this stagnation." He noted that "to some extent, the OAS

capacity to take action has been reduced," while extreme poverty, illiteracy, and unhealthy conditions "remain painful facts."

Torres said that for Latin America, the OAS and its mechanisms are "tools that can be very useful, but they have not been used to their full potential."

He therefore called for "renewing our commitment and making the OAS efficient, as a tribute to our forbearers' efforts for unity and solidarity in the Americas."

Guatemalan Peace Efforts Stressed

PY0606143591 Madrid EFE in Spanish 2310 GMT 4 Jun 91

[Text] Santiago de Chile, 4 Jun (EFE)—Guatemalan Foreign Minister Alvaro Arzu Irigoyen, stressed today the Guatemalan Government's commitment to restoring peace in the country. He also reaffirmed the need to find a political solution to the armed struggle and to improve the democratic system.

Arzu Irigoyen addressed the the 21st OAS General Assembly that is being attended by representatives of 34 countries. The OAS plenum, which opened 3 June, will end Saturday, 8 June.

He mentioned the "Initiative for Total National Peace" proposed by the Guatemalan Government in April 1990. He said: " It stresses the need to reach a definitive peace, which does not only imply just a ceas.. fire but the need to establish the grounds for reconciliation and harmonious coexistence among Guatemalans."

Arzu Irigoyen said that this plan is based on three major points: "an end to the armed struggle, more socioeconomic equality, respect for and strengthening of the rule of law, and the need to promote the democratic process."

He also said: "Guatemala believes that the Central American countries' role within the Association for Democracy and Development (ADD) is extremely important and that this organization should be managed with broad criteria of equality and proper representation for all its members."

Arzu Irigoyen also stressed: "The Guatemalan Government has called the other Central American governments' attention to the need for and appropriateness of creating an institutional framework for the new Central American integration that will include the political aspects stemming from the peace process initiated with the Esquipulas II Treaty, as well as the economic aspects linked to the current process of economic integration."

C.A. Requests Support for Peace

PY0706004691 Madrid EFE in Spanish 2047 GMT 6 Jun 91

[Text] Santiago, 6 Jun (EFE)—Central American foreign ministers have submitted a document to the OAS asking for the support of that organization's member countries "for the will for peace" of the Central American countries.

The draft resolution, which was penned by the Guatemalan, Nicaraguan, Honduran, Costa Rican, and Salvadoran delegations, urges Central American governments to continue their efforts to achieve peace, democracy, reconciliation, and development in Central America.

In the draft resolution, to which EFE was given access, the Central American foreign ministers reiterate their call to "the countries outside the area which have links and interests there to give material aid and support for the process of executing and implementing the agreements of Central American presidents, and to abstain from any kind of action that could hinder them."

The document, which repeatedly acknowledges the work of OAS Secretary General Joao Clemente Baena Soares and the International Commission of Support and Verification (CIAV), expresses "full" support for the actions of the UN Observer Group in Central America (ONUCA).

The Central American governments ask the OAS secretary general and member countries to continue to support Central American governments in their efforts to achieve peace, democracy, and development, especially through the cooperation of the ONUCA.

In addition to reiterating their support for the process of consolidating democracy in Nicaragua, the Central American countries also support the current dialogue between the Salvadoran Government and the Farabundo Marti National Liberation Front (FMLN).

The document also mentions the direct talks being held in Guatemala between the government and the Guatemalan National Revolutionary Unity (URNG), expressing the hope that the two parties will reach agreements that will lead to a total peace.

The document also requests that the OAS urge Central American governments to "continue to develop the process of regional negotiation with representatives from the United Nations and the OAS in order to achieve as soon as possible an agreement on security and the verification, control, and limitation of arms and military personnel."

The document urges the OAS secretary general to give the necessary support to disarming civilians in Central America, especially in Nicaragua, and asks regional and extraregional countries for material, technical, and financial contributions.

The document lauds the Central American presidents' decision to create a committee for the "verification of the procedure of Guatemala" and supports the Association for Democracy and Development in Central America as an instrument of international support for the political and economic processes that Central Americans themselves have already defined.

The proposal, which will probably be voted on 7 June, also reiterates a call to the international community, international organizations, and nongovernment organizations for a "substantial" increase "in technical, economic, and financial cooperation for Central American countries."

Caribbean States Participate

FL0606173591 Bridgetown CANA in English 1500 GMT 6 Jun 91

[Text] Santiago, Chile, June 6, CANA—Belize has participated for the first time as a member of the Organisation of American States (OAS) in the debates of the General Assembly now in its fourth day in the Chilean capital city of Santiago.

"Like the new kid on the block, we are still feeling our way in the intricate workings of this Organisation," Belize Foreign Affairs Minister Dr. Said Musa told the Assembly on Thursday. Belize, which has a long-standing border dispute with Guatemala, only recently joined the OAS after the rules were amended to admit countries with disputes with member-states.

Musa described the "grave challenge" being faced by countries in the Americas in view of transformations in the international scene. "If we are to survive," he warned, "we must develop totally new approaches to this vastly different world in which we now find ourselves." He emphasized that "we cannot hope to be successful in this endeavour, however, if we do not have or establish a series of coherent viable responses to this challenge. Because, if we do not, we will be sentencing our nations and the Latin American and Caribbean region to long-term impoverishment and probable social and political instability."

Antigua and Barbuda Ambassador Patrick Lewis told the Assembly that "the many reforms which have taken place in Latin America and the Caribbean are in no small measures due to the effective role played by the OAS."

The successful presidential election in Haiti was a milestone in achievement for the Haitian people and for the cause or regionalism. The demise of dictatorial governments, coupled with the emergence of democratic institutions within our region, have been made possible by the platform of protest provided by our regional organisation," he said. Lewis said that democracy is a prerequisite to sustained economic growth and improved standards of living.

"It is our view, however," he said, "that many of the conflicts and the reported human rights abuses are born of economic injustice; a peaceful, lasting resolution of the fracticide [as received] can be guaranteed by economic reforms and the establishment of democratic institutions within those nations." Lewis said that island-countries wished to bring an end to the threat to their very existence, which pending environmental disasters will cause.

"If we are to prevent this catastrophe," he warned, "our regional organisation must provide leadership in the area of environmental reform. Antigua and Barbuda thus supports the creation of an inter-American programme of action for the protection of the environment," he said.

Barbados Minister of Foreign Affairs, Maurice King, underscored the relevance of the OAS.

"The old order has passed. Ideological tensions have eased. Now, more than ever, the OAS has become the appropriate and logical forum for Hemispheric dialogue and cooperation," King told the General Assembly Wednesday. He went on to state that his delegation perceives an urgent need to reaffirm multi-lateral action in the regional context.

"The emerging world social, political, and economic environment, the reduction of ideological tension, the emergence of regional trading blocs, and the variety of residual and growing challenges facing individual nations seem to point to cooperative action and multi-lateralism as major instruments for achieving common goals," he said.

The Barbadian foreign minister declared that "the resurgence of democracy in the Hemisphere reinforces the foundation for dialogue, and the amazing diversity of the states of the region offer creative and endless possibilities for cooperation. Against this background," King said, "Barbados considers that renewed emphasis could be given the OAS in three broad areas of action: strengthening and consolidating democracy, promoting development, and preserving peace."

Correction to 'Difficulties Beset Opening'

PY0606010691

The following correction pertains to the item headlined, "'Difficulties' Beset Opening," published in the 5 June Latin American DAILY REPORT, page 1:

Column two, first paragrapl: sentence two should read: delegates of the 24 [number as heard] country members are...(adding editorial note).

Cuba

Fidel Castro on Unity, Upcoming Party Congress

FL0606171291 Havana Radio Progreso Network in Spanish 1625 GMT 6 Jun 91

[Text] Commander in Chief Fidel Castro considers the unity of the Cuban people as one of the main bulwarks of the revolution and denied that spectacular changes would take place during the upcoming party congress. Unity is one of our main weapons to survive as a revolutionary process vis-a-vis a very powerful and aggressive neighbor such as the United States. This was said by Fidel in the third part of an interview the Mexican magazine SIEMPRE is publishing this week.

The top leader of the revolution added that to admit the multiparty system under Cuba's specific conditions is to introduce division, open the doors to division for the benefit of the main enemy that threatens us and wants to destroy us. He said important political changes would take place in the congress such as the one related to the rights of religious believers to become members of the Communist Party.

Regarding the assumption that Cuba will implement a Soviet-style perestroyka, Fidel responded to the magazine SIEMPRE: There is no reason for Cuba to copy what they did in the Soviet Union. He added: We are two different countries, we respect the Soviets very much and I am fond of them but the USSR is a multiethnic state and we are not. There is no reason for us in Cuba to rectify mistakes that were made in other places, stressed Castro. He then asserted: There was no forced land collectivism; Stalinism, a phenomena of abuse of power, of authority, of personality cult, and of statues, did not take place here, was not seen in our country.

Before there was ever any talk about perestroyka, we had talked about rectification of mistakes and negative tendencies which took place in various areas, especially in the economic one, said our Commander in Chief Fidel Castro.

USSR Requests U.S. Aid for Market Economy

FL3005135591 Havana Tele Rebelde Network in Spanish 1100 GMT 30 May 91

[Text] The new Soviet economic plan drafted to overcome the current crisis seems to have gone unanswered after a meeting between Yevgeniy Primakov and U.S. Secretary of State James Baker. During a news conference Baker expressed his satisfaction with the Soviet willingness to move toward a market economy but has reservations about the Kremlin's proposal; he alleged that needed more time for a deeper analysis of the plan.

The envoy from Moscow, Primakov, reported that the plan is directed toward the implementation of a market economy and contemplates measures to attain privatization, freedom, and distance from the previous administrative structure. The Soviet envoy expressed confidence that the USSR will be granted the credit requested for the amount of $150,000 million.

Bilateral Contracts With Spain Signed

FL0506004291 Havana Radio Rebelde Network in Spanish 2343 GMT 4 Jun 91

[Text] Important bilateral contracts have been signed between the Chambers of Commerce of Cuba and Zaragoza, Spain. At the negotiations' closing ceremony, Fernando Lozano Pardo, president of the Zaragoza Chamber of Foreign Trade and Industry expressed the determination of the group of businessmen he heads to continue to negotiate with Cuba.

'Experts' Discuss Economic Situation

FL0506235091 Havana Radio Rebelde Network in Spanish 2330 GMT 1 Jun 91

["In Our Voice" segment on the "Exclusivo" program, hosted by Lazaro Barredo with "economic experts" Pedro Alvarez, Enrique Martinez, and Ramon Covellar as guests, in Havana—live]

[Text] [Barredo] Greetings, my friends. This is Lazaro Barredo with "In Our Voice." I have asked three distinguished economic experts to be with us today: Comrades Pedro Alvarez on foreign trade, Enrique Martinez on planning, and Ramon Covellar on domestic trade. We will try to cover Cuba's current economic situation.

I truly believe that no one would have thought three or four years ago that we would all of a sudden be facing such an unprecedented challenge. The country currently faces exceptional economic circumstances, which in some respects may show a tendency to worsen, given external factors. These problems seem even more unique if we consider the recent change toward a unipolar world in which the United States freely reigns with the unbelievable intention of creating a 1,000-year empire based on the latest developments, which are marked by an opportunistic euphoria resulting in a true regression.

I would like to bring up a point: Given our difficulties, the U.S. Government is betting that we will collapse. They dream of our capitulation as a result of their pressure, using their overbearing might as if they could revive their archaic ripe-fruit theory at this time. Thus, they conjure up with great fanfare the myth of the failure of socialism. As I heard a friend comment recently, their beliefs are based on appearances, and if an analysis of processes takes as its point of departure the unity of appearances and similarities, then there would be no need for science. I am convinced that as long as the United States insists on this simplistic view about Cuba, they will always miss the target.

Now, I think there is no doubt that we should reflect on the situation we face. I thus invite the experts to analyze this, and I give them the floor. Pedro Alvarez?

[Alvarez] Well, Lazaro, thank you for the opportunity you have given me to come here and explain to our public, the people, the situation in foreign trade. We must point out that the transformations in the USSR are reflected not only in the reduction in fuel deliveries, which as you know were noticeably affected last year and this year, but also in other problems that have arisen with the drop in production and extraction. Together, these problems mean that the outlook is not encouraging.

Likewise, although agreements were reached for trade in 1991, a number of internal factors in the USSR itself have made deliveries of practically all products difficult. These have been basically limited in recent months to some fuel and grain deliveries. This is one aspect on which we are working very actively with the Soviets, who have the will to find different ways that will make it possible to reduce the serious effects that have arisen already in deliveries of food, raw materials, medicines, and other products that are fundamental to the Cuban economy.

In addition, as has been mentioned, until 1990 transportation from the USSR, Lazaro, was done by ships of the Soviet fleet. In the current situation, a considerable share of this transportation, basically grain and fertilizers in large volumes, will have to be done by Cubans, which unquestionably will force us to spend more in hard currency in addition to what had been allocated. In spite of how our fleet has grown—it now is almost 20 times larger than the fleet we had in 1959—this fleet is still insufficient to meet our foreign trade needs at this time.

At the same time, the effects on trade have been seriously worsened by the uncertainty about the Soviet Union's socialist economy and the collapse of the East European countries. We should mention that along with the USSR, trade with these countries accounted for more than 80 percent of our imports. In practice, trade was ensured through five-year and annual agreements, and since all this has been interrupted, our purchasing power has basically been reduced.

Another important factor is the worsening of the economic embargo measures by the United States, currently shown in the proposed Connie Mack amendment. The pressure the United States exerts on the East European countries has translated into restrictive measures that many of these countries have implemented as they have joined the IMF. These countries' parameters of trade have been fundamentally changed in their plans of transition to market economies, and all these factors are directly reflected, as our people know, in their economic and trade relations with Cuba.

Although there are no easy or short-term solutions, the country has taken a set of measures to ensure the essential and basic needs of the population, as well as the vital priorities to make a minimal level of development possible. This will allow us not only to survive but to achieve a minimal level of economic development, which will allow us to come out of this situation as quickly as possible.

[Barredo] Now, Pedro, you have presented a set of points. However, I would like to discuss some of these points more in depth.

[Alvarez] Fine.

[Barredo] For example, I think we have become very used to the U.S. embargo, as an expression, because it has been with us always, coexisting. When the revolution was born, the United States established the embargo. Today almost 60 percent of the Cuban population is young. They do not know much about the historical background to this matter, and they see it sometimes as something abstract. I would like to go a little more in depth into that term, because I think it would be necessary to agree that the embargo is not something that came up now with the problems in Europe, but is something that forced us 30 years ago to reorganize the whole Cuban economy, all of our foreign trade.

You as experts will be able to explain this. It is, as you said, a set of legal measures by a government, a superpower, against a country it is not even at war with. This is also an open violation of the Universal Declaration of Human Rights. They talk so much about compliance with that universal declaration ratified by the United Nations more than 40 years ago. However, we must keep in mind that the embargo means that this country cannot ...[rephrases] has to carry out its foreign trade clandestinely. In addition, it means that we have not received loans, new loans. It has been 12 years since this country received any new loans.

It entails the problem that since Cuba has had to transfer its trade towards Europe and Asia as a result of this embargo, the value of the dollar influences funds availability, and this is a serious problem that we have always had to face, especially in recent years. It also represents the fact that they persecute everything we do, all our exports, all our business deals, all our investments, are persecuted by the United States as a result of this embargo.

Of course, this is added now to the very specific circumstances of socialist Europe and the USSR. I would like to go a bit more into these points. For example, well, I would like you to explain to the public what not receiving any new loans since 1979 is all about. I think from what experts say that any country would have gone under if it had not received this form of money, of hard currency which allows a country to move forward in its own economic development. That is, I would like to go more into some of these points.

[Unidentified speaker] Of course. I would say, Lazaro, for the public, that since the triumph of the revolution, the [words indistinct] of the United States imposed the embargo. There was the abolition of the quota, the fuel deliveries, the sugar quota I mean, the fuel deliveries.

Then it was intensified day by day and the ban began on Western industries that used Cuban supplies, from Cuban exports. So any industry in any Western country that was a subsidiary or had capital from the United States, or even exported to the United States, if that industry exported ...[corrects himself] or received imports from Cuba for its finished products, for manufacturing them, this would limit their relations with the United States. There was also a transportation embargo. That is, our ships were blacklisted.

The embargo is not something abstract. It is very concrete, and of course it forced us out of a nearby market—the U.S. and nearby countries' markets, because many or some countries joined in the embargo in the initial stage of the revolution—and forced us to travel to Europe, the USSR, and even Asian countries. This embargo ....[rephrases] With the recent euphoria with the situation that has occurred in the East European countries with all the changes that have taken place, the capitalists in the United States want to sharpen their teeth, so to speak, and they are really trying to squeeze us with the establishment of additional amendments, additional pressures.

This has an impact not only on the industrial sector. This has also had an impact on the financial sector, because they have used political pressure to limit any kind of funds, fresh money, that the country might obtain, either for quick shipments or for the short- or medium-term for some kind of credit or financing. Moreover, the IMF, as you said, in its relations with the East European countries, which are joining the IMF, has said that they cannot have a trade imbalance with any country. Of course, they put more emphasis on the situation with Cuba, which means that any kind of deal has to be balanced [words indistinct]. So in addition to the problems we had with the fair prices we had had in relations concerning sugar, we have also lost the possibility of obtaining sources of financing.

Really, with the United States, it does not help that they are squeezing us, but I think it is important for the people to know that the country, the Ministry of Foreign Trade, and the leadership are reviewing our whole situation, our resources, every day in order to guarantee at least the essential things which will allow us [words indistinct] food and some specific programs that affect social development, if they permit some economic development in order to come out of this situation as quickly as possible.

[Barredo] Look, I think all this has to do with the strategy the country has set, which has three specific points. Enrique, I think we analyzed this in the program we did on the special period. This has to do first with keeping up the export revenues the country had traditionally been assured of and resolving the food problem. For example, when Pedro was talking just now about how East Europe—excluding the USSR—East Europe [repeats] had had a considerable impact on consumption, basically of foods and raw materials widely used for consumption by the populace and by industries that have to do with production of milk, [word indistinct], canned goods ....[rephrases] However, people say, well the food program, which is the second part of the country's strategy ....[rephrases] We agree that it has been inefficient. We are not satisfied with the results that have been obtained so far in agriculture. There are also many problems from the point of view of ensuring production.

But the thing is that Cuba was never a great food producer, and I do not think it can ever meet all its food needs independently. I think it is interesting to say this, because I was looking up some statistics, and I think it is interesting for people to know how we were dependent, and still are today, on foreign trade. But we were dependent on the United States in a number of food categories. I say this so that you will have an idea of the degree of dependence in food consumption and you can understand the efforts the revolution is making to ensure minimum consumption so that the populace will have a minimum standard of living.

For example, Pino Santo wrote an essay in 1960 on Cuba's relations with the United States and gave the figures on the behavior of imports of food products from the United States by Cuba. He said in these statistics, for example, that Cuba had to import from the United States 55 percent of its beans and 33 percent of its vegetables. Sometimes people say this is a country where you can plant anything and it will produce. No, no, no. We also have summer, the climate ....[rephrases] We have to change; you cannot always produce crops with long growing seasons all year round. From the United States alone, Cuba imported 33 percent of its vegetables, 29 percent of its grain—you were talking just now about this—88 percent of its fats, 68 percent of its cured meat, 63 percent of its canned meat—so these were important categories in the country's consumption—84 percent of its canned fruit came from the United States, 100 percent of its salted fish came from the United States, 90 percent of its canned fish came from the United States, 77 percent of its candy—which is incredible for this sugar-producing country—77 percent of its candy [repeats] came from the United States, 67 percent of its chocolates. We say we have a lot of coconut palms, but historically all these products for consumption were imported. So today the country's second strategy is to confront the food problem. Enrique?

[Martinez] Yes, Lazaro, we discussed this topic, as you said, in March when we talked about the country's strategic economic development plans, which have been drawn up in order to come out as quickly as possible, as Pedro said, from the situation we are experiencing. The figures you have given about imports are interesting. I am referring to the food imports. I would add that these percentages alone do not even give the whole story, because they are percentages concerning the consumption of a population of 6 million inhabitants, and a

population that also did not consume much. This means that almost everything was imported for a small group of people.

But today we have to produce for 10.5 million inhabitants. Mentally reviewing the figures you have given, the situation in terms of percentages, of course, according to the information we have, is that our agricultural production covers, in terms of percentages, a much higher amount in order to feed 10 million Cubans. It is a much higher amount—I am referring to production—than in 1958. Of course, this is closely related to the neocolonial nature of our country at that time, which was also reflected in agriculture and all economic activity. There were activities that the imperialists did not allow to develop in Cuba.

So it was much better for them to export some food—you gave the example of vegetables—and for Cuba not to produce the vegetables the population needed. There is an issue I would like to bring up concerning this. It is the following. It is commonly said by some people—you even said it—that in this country you can grow anything. When visitors arrive at the airport and see the sun and the weather, they say: You can have anything in this country because you have a wonderful climate. It does not snow here. It does not snow here, but there are other problems. Here there are droughts. There is extremely high relative humidity that promotes the growth of a number of insects and agricultural pathogens in general. The struggle against diseases in agriculture is very hard.

There are no precedents for a tropical country that has tried to develop its agriculture in technical terms—that is, coming up with definitive solutions for the country's food production—except for Cuba. We have practically had to think up our own experiments. We have had to work based on that. Producing on one hectare is not the same as producing on 10,000 hectares. It would not be the same producing citrus in Cuba, for example, more or less at the triumph of the revolution, which was not even 100,000 tons, and producing 1 million [tons]. This involves not only a problem of quantity, but also problems of technique, management of those plantations, management of diseases, fertilizers, irrigation, etc.

There are things—this is why I am mentioning this—there are things [repeats] the country cannot produce under any circumstances, because the conditions of our ecology do not permit the production of everything. In addition, no country produces everything. All countries produce those things—I am referring to agriculture—they have the best conditions for, where they obtain the best yields, and they import the things they are not efficient at producing. In this regard I would like to mention fats as an example. Because of the geographic region our country is in, we are not producers of oleaginous products. Practically all the fats we consume in this country are imported. We produce some fats in the form of lard from pork production, but these are very small amounts that are basically used in canning. Practically 100 percent of our fats are imported.

Here I am tying this in a little with what Pedro was explaining about the problems that have arisen in trade with the former socialist countries, in order to point out one of the problems we have now with these countries, which is precisely concerning the problem with fats. We were tremendously dependent, and our main suppliers of fats have failed us. I am going to say that we imported about 120,000 tons of fat, and right now the country is not able to get even one ton. Even if we had the money and did all the negotiations to solve this problem, these are amounts that are not very obtainable, because we have to buy these fats in small amounts, except in the case of the USSR, from which we imported 10,000 or 15,000 tons at one time.

Now that Soviet deliveries have failed, when you try to buy that much from another nearby country, the amounts are 2,000 tons, 3,000 tons, 4,000 tons. These are also problems that have arisen not only from the ....[rephrases] They are problems that have been created for us not only because of the economic difficulties the USSR is having, but because there are certain technologies, certain arrangements in shipping, in amounts, in the warehouses we have here to receive certain amounts. All of this has also become more complicated since we have had to find—unfortunately we have had to do this—other supplies of products in other places. These are problems in addition to those presented by Pedro about the ships, about many things.

When you talked about the amounts we received from the USSR ...[corrects himself] pardon me, from the United States at the end of the fifties, in the first place it was very close by and the amounts were very small. Today we import 1.5 million tons of grain. There is no country, other than the large countries, that is capable of supplying more than 100,000 tons of grain per month, even if we had the money. These are additional problems we are facing because of the situations that have been described on other occasions.

[Barredo] Enrique, I think we should emphasize this, that people must also understand that the traditional markets—this was what we said at the beginning—were not created overnight. Let us suppose that the country was not under an embargo, that its foreign trade was not persecuted by the United States as it is now, and even that the country had enough hard currency. In unprecedented circumstances—that is why I have called them unprecedented circumstances—in three months, with the large amounts you have mentioned, you could not find another market right away, because it is not easy, even if you have installed capacity. This is what is happening to us with soap and detergent; we have installed capacity but it requires an amount of raw materials you could not find within three months from today in any market except the large markets like the one we had or have in the USSR.

[Unidentified speaker] This is happening to us, Lazaro, not only with imports. It is also happening to us with exports to traditional markets like the USSR and the

East European countries, to which we exported 500,000 tons of citrus. As soon as this begins to fail, it is not easy to find buyers in other countries overnight for that amount of citrus for many reasons: reasons of distance, fruit quality, or apparent fruit quality. So these are trade problems, as you said and Pedro said, that cannot be solved overnight. We have a process, and that is what the struggle is about.

I would like ....[rephrases] In order not to put aside the food problem or leave it for later, because Pedro talked about the difficulties we have in importing food, I thought it would be interesting to give some figures about this dependence we have on imports because of climate problems and also because of deficiencies in the country's food production, which we must supplement with imports. We said that in the case of fats, we import almost 100 percent, and we are in a very difficult situation. Why? Because of everything that has been explained, we have hardly received any fats in the first five months so far this year.

We have great problems with milk. I think this has been explained. We imported powdered milk from some socialist countries, about 30,000 tons of powdered milk. This is 310 million liters of milk. This is almost equivalent to 1 million liters of milk a day. This is why we must reduce consumption, because there is no way we can find this milk overnight in other markets. We imported about 20,000 tons of butter—we are not producers of butter—and we have not received any butter so far this year either. Certain decisions had to be made about butter consumption.

This is what is happening with garbanzos, rice, and wheat flour. For example, in addition to importing 1.5 million tons of grain from those countries, we imported flour because our mills did not have enough capacity to produce the about 600,000 tons of flour Cuba consumes. We used to import 170,000 tons of flour. So far this year we have not received one ton of flour. This has led to our needing to adjust some consumption, ration some products in Havana, as our people know. These are not things that have happened or are happening through our own will. On the contrary; as Pedro said, we negotiating everywhere, and we are not letting up on this. We are fighting to find these supplies, but the fact is that as the days go by and they do not come in, we have to make certain decisions to make it—as has been said—as equitable as possible.

[Barredo] We must do a juggling act, literally.

[Unidentified speaker] I would say that this time, as Enrique has said, is precisely the time when we are doing more with less. One may ask why more is being done when there are difficulties. It is because we are receiving much less from all these countries, and we have tried in the current situation to at least reduce the impact a little.

[Barredo] Well, they are telling me that we have run out of time. I think there are some interesting points that would be worthwhile to continue to analyze. I think we have left out things about trade; for example, the problem with fuel, related to the zero option problem. I think the public has gotten a mistaken idea about this. I think we could also talk about the impact these things have on distribution, and some rumors that have been spread in the street sometimes, I think, out of malice on the part of some people but also often because the information is not handled correctly, or because it is not possible to do so, given the mechanisms. I think it would be worthwhile to talk about this on our next program, and these circumstances of how the difficulties with trade have arisen. So I thank you for the time you have given to this program and I hope, friends, that you will again listen to us next Saturday when we continue with this subject on "In Our Voice."

Ministry of Agriculture Begins To Reduce Staff

FL0706014791 Havana Radio Rebelde Network in Spanish 2306 GMT 6 Jun 91

[Interview with Luis Simeon Salinas, secretary general of the National Union of Agricultural, Livestock, and Forestry Workers, by Gavino Manguela in Havana on the "Exclusivo" program—live]

[Text] [Manguela] Among all the organizations in the country, it is precisely the Ministry of Agriculture [Minagri] that is the first to undertake the reorganization process. This means the implementation of new principles, in this case concerning structures, staffing, and other aspects. The Minagri is already starting to use generalized job descriptions. We are talking today with Comrade Luis Simeon Salinas, the secretary general of the National Union of Agricultural, Livestock, and Forestry Workers. In regard to staffing, the reduction in staffing, in accordance with the analysis that has been made, what personnel, how many people, will be cut in the Minagri?

[Simeon] We are going to talk about different levels. Right now we are working basically with the central level of the ministry, in the enterprise unions and the national enterprises. At this level I am talking about, there is a staff of 2,404 workers right now. At this level, 1,873 workers are surplus. That is, after making all the analyses and all the evaluations, there are 1,873 workers we must relocate to other activities.

[Manguela] I was going to mention that specifically. When this reduction is done, where are these surplus people going to go? What is the role in this case of the union in relocating these comrades? Does the union participate in the commission? In short, what role does the organization you head play in this case?

[Simeon] Well, we must point out that this process began with an assembly at each work center that was going to be affected by this process. These commissions have been working at each of these centers to analyze those who are on the staff, and who is most suitable to be retained on the staff. These new staffs are being adjusted with generalized job descriptions. For example, in many

places we had receptionists. These receptionists usually had a lot of idle time. For example, today I attended an analysis at a work center where there was a receptionist. The receptionist answered the telephone and took care of the radio. She now takes care of other equipment and has a more general job description.

[Manguela] In this case you have brought up, in this same example, should this receptionist who now has several duties earn more than before when she was only a receptionist?

[Simeon] Of course. In each case the wage system is applied in accordance with the work that is going to be done. When the job description is expanded, this is adjusted also. So, the commission studies the workers one by one.

[Manguela] Thank you very much, Comrade Simeon. I think your words, your evaluations, your opinions about these new organizational measures that are being taken in the Minagri have been very important.

Tourism Development Plans To Continue

FL0106184591 Havana Tele Rebelde Network in Spanish 1700 GMT 1 Jun 91

[Text] Tourism will continue to develop even during the special period conditions in times of peace. Cuba will make available over 4,000 rooms for the 11th Pan-American Games, Havana 91, scheduled for August. The event attracts tourism. According to Rafael Sed Perez, president of the Intur [National Tourism Institute], the tourism market is very lucrative.

In the last 12 months, the island received some 250 million pesos in the area of tourism. It is expected that this figure will be increased by 15 percent this year. There was an increase in the number of tourists and the hard currency income during the first quarter. Most of the foreigners who like to enjoy our archipelago's climate and scenery come from Canada, Germany, Mexico, Spain, and Italy.

Cuba is currently undertaking an investment program that includes the completion of 5,000 rooms this year. It is expected that there will be 50,000 rooms by 1995 and that close to 1.5 million tourist will travel to Cuba during this period.

Rise in Number of Visitors Noted

PA0106043091 Madrid EFE in Spanish 0335 GMT 29 May 91

[Text] Havana, 29 May (EFE)—National Institute of Tourism President Rafael Sed Perez said today during a news conference that Cuba earned approximately $250 million in tourism revenues in 1990.

Perez noted that this economic sector grew 4.2 percent in 1990, and that 340,000 tourists from 30 countries, mostly from Europe and Latin America, visited the island. Tourism constitutes one of the economic activities given priority by the Cuban Government and is one of the island's chief generators of foreign currency.

Rafael Sed Perez held the news conference on the occasion of the 12th International Tourism Convention, to be held from 4 to 7 June at the Varadero beach resort, the island's chief tourist center, located 140 km from Havana.

The tourism official said Canada, with 26 percent of the total number of visitors, is Cuba's number one customer in this field, followed by Germany, Mexico, Spain, and Italy in Europe, and Brazil and Argentina in Latin America.

Last year 22,600 Spaniards visited Cuba, which represented a 5-percent increase, Sed Perez stated.

As for returning visits, he said that according to surveys conducted individually by the hotels, 85 percent of the visitors plan to return.

He said that although the country is experiencing a difficult economic situation, development plans for this sector continue, with hopes of having 50,000 hotel rooms in 1995 to be able to receive over 1 million visitors.

Promoting Cuban tourism and concluding contracts for the next phases are the chief goals of this fair, which its organizers expect will be attended by approximately 900 tourism promoters.

Prior to the start of the operations of the tourism program, a theoretical seminar will be held to discuss the impact of tourism on culture. The participants will visit Cuba's major tourist centers.

Inter-Caribbean Affairs

Robinson Views Collective Security System

FL0306175591 Bridgetown CANA in English 2139 GMT 1 Jun 91

[Text] Port-of-Spain, Trinidad, June 1, CANA—The establishment of a Caribbean Community (Caricom) collective security system involves sensitive questions and needs close study, Trinidad and Tobago Prime Minister A.N.R. Robinson said here.

A regional security system presumes the existence of a common political perception, Robinson told a one-day Caribbean Institute of Human Rights (Caribcare) conference on 'Democracy, Subversion, and National Security.'

After last July's coup attempt here, Caribbean Community (Caricom) leaders meeting in Jamaica set up a committee, chaired by Barbados Prime Minister Erskine Sandiford, to consider regional cooperation on security. Sandiford is expected to report to the Heads of Government in St. Kitts in early July.

'Some of the issues which will arise are: how should it be structured? Should there be a standing force? If so, where should it be located? What will be its trigger mechanisms and rules of engagement? Who will make the distinction between external threat and the legitimate airing of popular discontent?' Robinson told the conference Friday.

'All these are pertinent questions which will apply not only nationally but regionally, and even globally, in the light of the dramatic spread of liberalisation, democratisation, and the upsurge of nationalist aspirations,' he said.

Defense Forces Chiefs on System

FL0406185391 Bridgetown CANA in English 1815 GMT 4 Jun 91

[Text] Bridgetown, Barbados, June 4, CANA—Chiefs of staff of defence forces in the Caribbean Community (Caricom) opened a two-day meeting here Tuesday with Barbados calling for arrangements that allow for prompt responses to security problems.

'....A small core of military personnel dedicated for the purpose might be stationed, part in an eastern Caribbean island and part in a western Caribbean island, and paid for by the participating countries on an agreed formula,' Barbados Prime Minister Erskine Sandiford told the meeting.

Saying that tactical considerations indicated a need for speedier response mechanisms, Sandiford told the meeting that military personnel could be stationed in a territory for its defence without constituting a violation of sovereignty.

The meeting is sponsored by the independent West Indian Commission, mandated by Caricom heads of government to hear views and make recommendations on the future of the Community. Sandiford, chairman of a committee studying collective regional security arrangements, said the present sharing of 'special expertise' came at a critical time.

'....Each country represented here is now touched by the massive threat of drug-trafficking and illicit drug use,' he said. 'It is in our interest to act together to reduce or destroy this threat,' he told a short opening session.

Sandiford is expected to report on the progress of his security committee's study at the Caricom Heads of Government summit in St. Kitts in July. The West Indian Commission will also give the summit a progress report on its wide-ranging consultations.

Sandiford cited the destruction caused in recent years by natural disasters, and the cooperation of defence forces to deliver relief in the cases of hurricanes Gilbert and Hugo.

Caricom Calls for No Sugar Quota Reductions

FL0306204991 Bridgetown CANA in English 1947 GMT 3 Jun 91

[Text] Castries, St. Lucia, June 3, CANA—Caribbean sugar producing countries, experiencing a decline in sugar production, are asking the United States and the European Community not to cut the region's existing sugar quotas. "We view this decline in production as being temporary, given the measures being taken by a number of sugar-exporting countries.... We therefore call upon the United States and the European Community [EC] not to initiate any actions towards the reduction of quotas from Caribbean sugar-exporting countries," Jamaica's Agriculture Minister Seymour Mullings, outgoing chairman of the Caribbean Community (Caricom) agriculture ministers, said.

Reporting to the 14th Caricom agriculture ministers meeting here Sunday night, he did not specify the level of decline but said it was "unfortunate" that sugar output has fallen to levels at which quota commitments in preferential markets in the EC and the United States are not satisfied. "This inability to satisfy our commitments constitutes a further loss of much needed foreign exchange," he said.

He said "meaningful negotiations" were being held with the European Community "drawing to their attention the critical situation facing our sugar producing countries and the region as a whole as a result of the community's restrictive pricing policy".

Mullings observed that the region's banana industry, which is also facing an uncertain future as Europe gears to become a single market from 1992, was also being discussed with the European Community. He said plans were underway for the formulation of a major banana development project, with the assistance of the EC. "This project, the implementation of which is expected to enhance the long-term viability of the regional banana industry by improving its competitiveness in major extra-regional markets, is included in the list of priority projects for funding," he said.

He said the project will provide for a wide range of inter-related developments. In his report, the outgoing chairman said that the process of programming of regional funds under the Lome IV programme was now underway. "A comprehensive list of priority regional projects has been drawn up, covering areas such as rice, research, diversification support and human resource development and will be the subject of discussion at this meeting," he said.

Global Partnership Needed on Environment

FL0506234991 Bridgetown CANA in English 2033 GMT 5 Jun 91

[Text] Georgetown, Guyana, June 5, CANA—The fate of Caribbean Community [Caricom] member states is dependent on the attitudes, approaches, and actions of

the global community towards the environment, Caricom Secretary General Roderick Rainford said on Wednesday.

In a statement marking World Environment Day, he said the community is conscious that its member states have contributed little to global environmental degradation. He said they have even less capacity to undertake the necessary action to combat the negative results of serious disruptions of the environmental balance.

"Caricom countries are dependent on the partnership of the global community—in particular the developed partners in that community—reducing significantly emissions of carbon and other greenhouse gases and substances which pollute the environment, destroy the ozone layer, and produce climate change," Rainford said.

"Our member states are dependent on the global partnership to provide resources to assist poorer and vulnerable countries to monitor and mitigate the consequences of climate change. In this context, they require practical recognition from the international community of their contributors to global environmental stability which flows from their natural endowments."

He said that Caricom countries are dependent on an equitable global partnership which permits access to clean or more environmentally friendly technologies. They also need a global partnership which ensures equity in the distribution of the gains arising from "environmentally sound exploitation" by all peoples of the resources of the earth, he added.

Rainford noted that the Caricom with its relatively large and open marine spaces, its coral reefs, seagrass beds and mangroves, and extensive forested areas in some member states can and does make a very significant contribution to climatic balances.

Grenada's Brathwaite Hopeful on Political Union

FL0306214491 Bridgetown CANA in English 2107 GMT 3 Jun 91

[Text] Port-of-Spain, Trinidad, June 3, CANA—Grenada's Prime Minister Nicholas Brathwaite, expressing hope for a Windward Islands political union by the end of 1993, has said such a step could promote political union of the entire English-speaking Caribbean. "The fact is we had to start somewhere ... and it seems to me that once we start and achieve a measure of success, it is more likely that we will get other units becoming a part," Brathwaite told CANA Monday.

"I think if we were to wait for the whole English-speaking region to take a decision, then it will take a much longer time, but if we start on a smaller scale, then the chances are that we would get there in terms of a wider union ultimately."

Brathwaite, on an unofficial visit here, said unification is important for the four Windward Islands—Dominica, Grenada, St Lucia, and St Vincent and the Grenadines—in the light of recent international developments. In the context of the emergence of trade and economic megablocs, the Windward Islands need to come together to have a voice in the international arena which is not possible as individual units, he said.

A Windwards constituent assembly established to prepare the way for the proposed union has already held sittings in St Vincent, St Lucia, and Dominica and is expected to meet in Grenada by January next year. Brathwaite said the second half of next year should see a referendum on the question of political union of the four islands. "I am really hopeful that we are going to establish some form of political union among the four Windward Islands ... sometime late next year."

Comments on External Tariff

FL0406002191 Bridgetown CANA in English 2220 GMT 3 Jun 91

[Text] Port-of-Spain, Trinidad, June 3, CANA—Grenada's Prime Minister Nicholas Brathwaite says Caribbean Community [Caricom] leaders meeting next month in St. Kitts should iron out problems associated with the Common External Tariff [CET], with a view to getting it implemented by all Caricom states on August 1.

Although the 13 Caricom governments had agreed to implement the tariff at the beginning of the year, only Trinidad and Tobago met the deadline. Another deadline, May 1, was set to implement the tariff, which places unified charges on goods from extra-regional countries, but only a few heeded the second deadline.

"What we hope is, that since it was a regional decision, that we would soon get to the point where it will be implemented in all the Caricom countries," Brathwaite told CANA [CARIBBEAN NEWS AGENCY].

"I feel confident that we ought to be able to iron out the problems which people have identified and come to an agreement for the implementation of the CET throughout the region by August 1," he said.

The less developed members of Caricom say their manufacturers are at a competitive disadvantage under the CET regime and that the cost of living in their countries will rise because of higher duties on goods from outside the region.

Caricom Agriculture Ministers Meeting Begins

FL0306164591 Bridgetown CANA in English 1808 GMT 1 June 91

[Text] Castries, St. Lucia, June 1, CANA—Improved fisheries management and exploitation, and programmes for agricultural development, and middle level training are among matters to be discussed here Monday by Caribbean Community (Caricom) agriculture ministers.

The Fisheries Resource Management Programme, funded by International Centre for Ocean Development-Caricom, will be discussed, and country representatives will sign annexes to the memorandum of agreement on the programme.

The 14th meeting of agriculture ministers will also review the regional agriculture sector plan and receive a status report on implementation of arrangements for the regional action plan of the Caricom Programme for Agricultural Development, the Georgetown-based Caricom secretariat said.

A brief on these arrangements will be presented at a donor's conference here June 6 and 7. Preparatory meetings started Friday among chief veterinary officers, followed Saturday by a regional agriculture planners meeting. The ministers will discuss training at the middle-level training programmes—Regional Programme for Animal Health Assistants in Guyana, and the Caribbean Agricultural Middle Management Training Programme—and consider approval of redrafted curricula.

The ministers will discuss implications of trade in primary agricultural products, and examine non-tariff barriers to such trade. They will consider a report on a study to determine the precise gaps in the supply and demand of agro-processing raw materials since the introduction of the Caricom Common External Tariff.

The ministers will review follow-up activities since the first workshop on agricultural mechanization, in March, in Trinidad and Tobago, to approve planned extension throughout the region of the programme of design and manufacture of agricultural implements for local conditions.

Prospects for financing the Caricom scretariat's programme under Lome IV, as well as a report from traditional donor agencies, including the Inter-American Institute for Cooperation on Agriculture, and the Food and Agriculture Organisation, will be considered. The meeting will also consider a draft agreement on cooperation in the development of living resources of the exclusive economic zone.

Talks Continue

FL0506192591 Bridgetown CANA in English 1750 GMT 5 Jun 91

[Text] Castries, St. Lucia, June 5, CANA—Caribbean Community (Caricom) agriculture ministers went into an unscheduled third day of talks here on Wednesday. "We have a lot more on the agenda to deal with," one minister said.

The ministers had listed proposals for the establishment of a single market and economy in the region and a review of the impact of non-tariff barriers to trade in primary agricultural commodities among their main talking points on Monday. On Thursday and Friday, they will meet with international aid donors to seek funding for agricultural projects.

Outgoing chairman, Jamaica's Agriculture Minister Seymour Mullings, speaking of the proposed donor's conference said that "Caribbean agriculture is in need of an increased flow of concessionary funding to bring about the diversification and modernization of the sector."

Barbados

Caribbean in Post Gulf War World Questioned

FL3105153091 Bridgetown CANA in English 1255 GMT 31 May 91

[Text] Bridgetown, Barbados, May 31, CANA—Following is the text of the editorial of Friday's Barbados NATION newspaper:

"We have an uncomfortable feeling that one morning very soon Barbadians, and other Caribbean people, are going to rise from their beds to face the realisation that we have all been demoted from Third World status to a place somewhere at the end of the queue.

This sombre conclusion is based on our perception of a decided absence of urgency in preparing for the new post-gulf war world, the one foreseen by President Bush.

The independent West Indian Commission, with commendable foresight, has attempted to focus our attention on the question of integration which it recognises, not only as the block on which the West Indies Federation of 1958-1962 stumbled, but as the one on which we will stumble again, come 1992.

Somehow or other this matter has to be solved. If it is not, the last condition of the West Indies will be considerably worse than its first. Even as a single regional entity the West Indies, with its history of fragmentation and under-development, its fragile institutional framework and inter-island hostility, has a steep mountain to climb. But to be an unprepared collection of separate islands is to be a nonstarter.

The West Indies Federation foundered on the question of freedom of movement between the various units.

The thought that thousands of small islanders from the Eastern Caribbean might find his Jamaica attractive, provided Bustamante with enough ammunition to say no to Norman Manley's referendum question.

As it now is, Vere Bird's unequivocal no to a question as yet unasked rules Antigua out of participation in any regional union. Freedom of movement is essential but it frightens a whole population in search of freedom.

The spectre of the mandatory price of integration explains the reluctance of Caribbean leaders to face the future of a new world order with bold resolution.

There is an abundance of talk. They are, all of them, well aware of the imminence of 1992 and its implications, but we have very little evidence of an urgent pressing ahead with contingency plans.

Either that, or the people to be affected by them are being kept in the dark on the grounds that what they don't know can't hurt them.

The plain truth is that West Indian history and the habits bred by it are catching up with us. For so long we have had our thinking done for us, our decisions taken on our behalf that the prospect of being thrown in at the deep end frightens us into lethargy.

Now, if ever, the West Indies stand in need of leadership: unfortunately, it may already be too late."

Dominican Republic

Bosch Accused of Conspiring Against Balaguer

FL0506202691 Santo Domingo Cadena de Noticias in Spanish 0930 GMT 5 Jun 91

[Text] A group of Reformist Social Christian Party [PRSC] members has accused former President Juan Bosch of conspiring against the government presided over by Joaquin Balaguer. Deputies Rafael Estrella Rojas and Rafael Albuquerque, spokesmen for the group of PRSC congressmen, separately commented that Professor Bosch is the leader of a conspiracy to overthrow the government of Dr. Balaguer. Estrella Rojas commented that this antigovernment conspiracy has been brewing for a while and that the recent wave of protests demanding salary increases is the best proof.

[Begin Estrella recording] It is obvious that a conspiracy is in effect. None of the current happenings are purely coincidental, it is part of a fine-tuned mechanism. This conspiracy is like embroidering fine lace, one stitch at a time. They take advantage of sensitive problems such as salary increases. This is a fair issue but they are not employing the right procedures nor asking for increases the government can presently afford. This very complex conspiracy has been operating for quite awhile. [end recording]

Estrella Rojas, a prominent PRSC leader, added that a movement exists to reject the will of the people as expressed on the elections of 16 May 1990. He pointed out that Bosch's conspiracy against the government is well known.

[Begin Estrella recording] There is an outright conspiracy, I would call it an insane conspiracy against President Balaguer. I get the impression that something is going on, either with Bosch or with those around him. His latest comments, his latest acts, indicate quite clearly that something has gone wrong either with him or with those around him. He is not acting like a mature, normal individual who cares about the country. He is behaving like a poor loser, on the premise that since he lost, the country must sink with him. No way. There are 8 million Dominicans who do not want to succumb and who deserve better in spite of the fact that a brilliant man lost the election. He who participates in elections, either loses or wins. One has to be a good loser or a good winner. [end recording]

Country Divided Over Call for General Strike

FL0606191091 Santo Domingo Radio-Television Dominicana Radio Network in Spanish 1600 GMT 6 Jun 91

[Text] The call for a 48-hour general strike demanding the resignation of President Joaquin Balaguer has divided the labor movement, professional sector, and political parties. To date, the call for a strike made by Ramon Almanzar, spokesman for the group of popular organizations, has the support of the Dominican Liberation Party, PLD, headed by former President Juan Bosch, who claims that Balaguer and his Social Christian Reformist Party won the 1990 election through fraud and with the support of the Central Election Board. Bosch pointed out that he does not support a coup de etat but appeals for Balaguer's resignation by means of a general strike.

On the other hand, Jose Francisco Pena Gomez, vice president of the Socialist International and leader of the Dominican Revolutionary Party, commented that the call to strike is premature and exposes the labor movement to a grave failure.

* Real Wages Decrease 50 Percent 1970-1990

91CA0127D Santo Domingo EL NACIONAL in Spanish 27 Apr 91 p 28

[Article by Emilio Ortiz]

[Text] The demands being voiced by various sectors for a general readjustment of wages received a substantial boost with the statement issued by the Bishops Conference urging the government to satisfy those demands.

The national government's response is well known: "A wage readjustment will have an immediate inflationary effect."

Meanwhile, the situation of the wage earners continues to deteriorate, in that, as economist Isidoro Santana has stated, "Since 1970 real wages have been on a decided downhill trend."

Trend of Real Wages in the Dominican Economy: 1970-1990
(In Pesos, Monthly)

End of Year*	Nominal Minimum Wage		Consumer Price Index (Base: 1970	Real Minimum Wage (In 1970 Pesos)	
	Government	Private Sector		Government	Private Sector
1970	60	60	100.0	60.00	60.00
1971	60	60	104.3	57.52	57.52
1972	60	60	112.5	53.33	53.33
1973	60	60	129.5	46.33	46.33
1974	60	60	146.5	40.96	40.96
1975	90	90	167.7	53.67	53.67
1976	90	90	180.9	49.75	49.75
1977	90	90	204.0	44.12	44.12
1978	90	90	214.4	41.98	41.98
1979	125	125	270.5	46.21	46.21
1980	125	125	286.6	43.61	43.61
1981	125	125	309.6	40.37	40.37
1982	125	125	331.8	37.67	37.67
1983	125	125	349.2	35.80	35.80
1984	175	175	493.2	35.48	35.48
1985	250	250	633.0	39.49	39.49
1986	250	250	674.3	37.08	37.08
1987	250	350	843.0	29.66	41.52
1988	400	500	1,328.0	30.12	37.65
1989	500	700	1,888.5	26.48	37.07
1990	650	1,120	3,790.0	17.15	29.55

* Up to 1977, the price index figures represent the average for that year. All other figures are at year-end.

Source: Compiled by the author on basis of Central Bank information.

Mr. Santana points out that: "While consumer prices have increased by a multiplying factor of 37.9 over the past two decades, the minimum wage has risen by a factor of only 18.7."

The real wage at this time, calculated in terms of the purchasing power of money as of 1970, is only 29.55 pesos, or down 50 percent, says Isidoro Santana.

The economist, a member of the UASD [Autonomous University of Santo Domingo] College of Economics' Research Unit, cites a Central Bank document that, using 1976-1977 as its statistical base, puts the average nominal wage index for the economy as a whole at 362.2 as of April 1988.

"Dividing this figure by the consumer price index for the same month, which was 460.6, with respect to the same base, gives us an average real wage index of 0.81, indicating that the average real wage had diminished by 19 percentage points," says Santana.

Isidoro Santana points out that "in the case of the farm workers, by resolution of the National Committee on Wages, the minimum wage currently in effect is 24 pesos a day."

"This ridiculously low figure barely exceeds the indispensable to buy the rice and beans consumed by a large family, as most farm families are," says Santana.

In the case of the professionals, he cites that of an economist in a government office, whose salary in 1980 was 1,000 pesos monthly. To maintain the same real income he had that year, his nominal salary would have had to be adjusted in step with inflation to a level of approximately 13,224 pesos a month as of year-end 1990.

"In the stark case of the schoolteachers, a primary-school teacher who works one shift is paid less than the school's concierge, and a secondary-school teacher, who must have a university degree, is paid less than an unskilled industrial laborer."

In his article published in the journal of the UASD College of Economics, Isidoro Santana states that "to equal the 1975 real salary today (February 1991), a primary-school teacher would have to be paid 4,000 pesetas a month for two shifts, and a secondary-school teacher 6,770 pesos a month for 25 one-hour classes."

Santana says that, "in the Dominican Republic, added to the drop in monetary wages in real terms, there has been a thundering drop in indirect wages in the form of public services supplied by the government, and in fringe benefits."

In 1989, the general government, including municipal administrations and decentralized institutions, allocated 3.0 percent of the GDP [gross domestic product] to the resolving of problems with respect to education, health, and social well-being.

In 1980, that ratio was more than 5 percent, meaning that many wage earners, besides having suffered a reduction of real income, must now devote part of their reduced income to satisfying needs that formerly were satisfied through the state.

The fraction of GDP represented by this 3 percent figure, for health, education, and social well-being, "is undoubtedly one of the world's lowest," says Isidoro Santana.

He says that "the most recent figures available for other countries relate to around the middle of the past decade, and show that for these same rubrics the developed countries spend around 23 percent of GDP, and the underdeveloped countries 11 percent on average. Among the latter, Latin America spends 15 percent."

Haiti

U.S. Government Provides $12 Million Grant

FL0406003291 Port-au-Prince Radio Metropole in French 1600 GMT 31 May 91

[Text] This morning [31 May], a grant of $12 million was signed between the Haitian and the American Governments. This is the first part of American assistance granted to Haiti for this year. According to a press release, the funds from this grant are to finance mutually approved projects, especially development projects with a high concentration of labor. The American Government provided this grant in order to contribute to the promotion of the democratic process in Haiti and to provide support to the efforts of economic stabilization taken by the Haitian Government.

Purpose of Grant Explained

FL0506195291 Port-au-Prince Radio Metropole in French 1600 GMT 4 Jun 91

[Text] The funds from the $12 million grant agreement which was signed last Friday [31 May] between Haiti and the United States will be used to pay off international debts. Renaud Bernardin, the planning minister, was anxious to provide an explanation.

Contrary to what is provided for in the agreement, this grant will not be used to create roads using a high concentration of labor. The total will be given in currency and will be used to pay off the government's international debts. The other installments of aid promised by Washington for the year 1991 will be received in commodities that the executive will seek to sell. The proceeds will be used to create projects utilizing a high concentration of labor. These projects would include the building of roads, schools, and hospitals.

*** Fox on Guanajuato Campaign Issues, Strategy**

91CA0145A Mexico City LA JORNADA in Spanish 12 May 91 p 7

[Report on interview of National Action Party gubernatorial candidate Vicente Fox by Mireya Cuellar; place and date not given]

[Text] Leon, Guanajuato, 11 May—Vicente Fox says: "Ramon Aguirre came to buy the state. He must be using lottery money; what else?"

Of his other rival, Porfirio Munoz Ledo, the PAN [National Action Party] candidate says: He is struggling and sweating black ink because in Guanajuato the Party of the Democratic Revolution (PRD) has no structure. Then he says he knows nothing about politics. To top it off, he tells people he goes to mass, but on his way out of church he tells reporters he was looking at the architecture.

Speaking of himself, he says: I do no; represent the business class nor am I here to serve their interests or anything of the sort. Business, at least the top business leadership, loses no love on me, but their vote does not count. It amounts to nothing in the overall tally.

During an interview, Fox, who is also a federal deputy, talked about the PAN campaign: We are proposing a new model of agricultural development for the state. We are seriously committed to rural Guanajuato, to the peasant, to ejido members, day laborers, people unserved by municipal utilities, those without opportunity.

"We want respect for the dignity of ejido members. Let them decide for themselves the form of landholding that works best for them. Let those who flourish on ejidos stay on. Peasants ought to be free of the political control exerted through land ownership. They should make their own decisions about whom to associate with in order to produce. They should not be forced to join peasant unions that are appendages of the system. These are nothing but intermediaries that pressure peasants to vote a certain way and make them go to government meetings and rallies for official candidates."

Fox says he is offering to rescue the countryside from marginalization by triggering a growth process to begin with budgetary redistribution. He cited Leon as a case in point: "It used to be that 1 percent of the budget went to the 28 percent of the population in rural areas. We tore our clothes about the plight of peasants while condemning them to a total lack of public services."

Fox also wants to increase awareness of water because Guanajuato accounts for 25 percent of the nation's water consumption. We are depleting the water tables, he warned.

[Cuellar] Why are you counting on the rural vote to win the governorship? The sector that could swing the election for candidates of your party is the middle class and business.

[Fox] For a starter, the business vote amounts to nothing—it does not count—in the overall tally. Besides, I left my business hat at the factory. I am a concerned citizen who wants to make some small contribution. The great majority of citizens has not benefited from development. They still have no chance for a job or an education."

[Cuellar] But among those recently joining PAN you represent a business class.

[Fox] No way. Wrong. Because business, at least the top business leadership, has no use for me because I do not follow the business line. My line is citizen commitment.

Vicente Fox took up politics after the late Manuel Clouthier talked him into it during a phone call. He is not a rich man, he says, and the Fox family is not wealthy.

[Cuellar] How much will you spend campaigning?

[Fox] The party has budgeted 5 billion pesos for 33 campaigns: 18 state and 13 federal legislative slots; a senate seat; and the governorship. Fifty percent will go to defending the vote. It will train an army of 25,000 citizens for statewide action. Porfirio Munoz Ledo is lying when he says I am personally paying them minimum wages.

Fox says the money comes from citizen contributions that range from 1,000 or 2,000 to as much as 100 million pesos. "We are not using public financing for current accounts or campaigns," he said. "I cannot give the names of those who have donated 100 million, but they are guys who think democracy and freedom are worth it. Others think it is worth more.

"We have identified the voting booths where there is always fraud. We have a list of the raccoons and badgers in this state. Leon is for me four to one. It represents 28 percent of the whole state, but we are not just winning in Leon. This is why we are going into the countryside. I have been all around the state three times, and everybody is tired of mediocrity, bad government, corruption, and, above all, the total lack of leadership. Guanajuato needs a change. It needs someone to give it personality, character, direction, and a sense of destiny. That someone has to be society itself.

"We have to set the old political model aside. It has no meaning for a society concerned with opening spaces, with quality of life. Today it is a sore, an obstacle to what society is about. I say we must weigh the old model and see what 60 years of the same style of government has left us. In the 80 years since the revolution, what have we gained besides frustration? The clearest measure is that in terms of natural wealth Mexico is number 13 worldwide but number 77 when it comes what its citizens earn. Worse yet, we are number 100 in income distribution. In Mexico 10 percent of the population makes off with 50 percent of the wealth."

[Cuellar] And if PAN does not turn out to be the change people want?

[Fox] That is the issue. The key is that change is coming anyway just as Manuel Clouthier foresaw. It is important to give it direction and proper guidance. Aside from underachievement, misguided leadership is the last thing we need.

[Cuellar] Would you regard the PRD as change in the wrong direction?

[Fox] First, you tell me what the PRD is because the PRD is something I have yet to understand. I have no idea what its ideology or doctrine is, and I think this is why it is disappearing. You cannot skip any steps when building a political party. It takes time to build an ideology or doctrine, and PRD tried to jump from birth to adulthood on the basis of one-man leadership.

This is where PAN sets the standard. It has had the same ideology for 50 years, and it has not split into factions.

[Cuellar] Are you sure there has been no factional strife lately?

[Fox] No. The party as a whole has not broken up into factions. There is dialogue. There is internal debate but not factional strife.

Fox, who has belonged to PAN for three years, is certain Porfirio Munoz Ledo will not gain a place on the ballot. "Porfirio knows it," Fox said. "I have no idea why he goes around misleading peasants and ejido members. PAN will vote to keep him off the ballot. He was not born in Guanajuato, and he has not lived here for five years. I do not know why he came. What I do think is that he sat down in Los Pinos to talk about Guanajuato and not the Middle East."

As a member of his party's Neopanist wing, Fox explained his differences with PAN's old guard. "Some say the party's main job is to disseminate its ideology. Others (the Neopanists) think it should also generate the electoral clout to take power. This is what the internal debate is about. Some people want to stress the spread of ideology," and others the job of getting elected.

El Salvador

FMLN Bulletin Criticizes Cristiani Speech

PA0606195291 (Clandestine) Radio Farabundo Marti in Spanish to El Salvador 0000 GMT 6 Jun 91

["Press Bulletin" issued by the National Army for Democracy, END, on 4 June]

[Text] After two years of the Cristiani government, there is more hunger and repression, as well as a setback at the negotiations table.

1. On the second anniversary of his government, Cristiani delivered a speech in a demagogic tone that was plagued with psychological warfare, with which he tried to hide the hunger, malnutrition, and war that has increased since Arena [Nationalist Republican Alliance] came to power.

2. The impressive development of the peace process to which he referred, is in contrast to the spectacular setback of the government delegation in Caracas, where it made 45 amendments to the document on the Armed Forces.

3. Whereas Cristiani speaks of protecting and promoting human rights, more and more people are tortured, are missing, and are murdered in the country, while death squads threaten international organizations.

4. The strong and continuous economic growth of which Cristiani speaks has only represented a strong and continuous growth of hunger, unemployment, and unsanitary conditions for the people. Evidence of this is the unanimous rejection of the labor, union, political, and religious groups to the Cristiani speech.

5. The administrative measures in the judicial system are only rhetorical, as long as the government refuses to put an end to impunity [of the Armed Forces] and as long as the trial of the criminal murderers of the Jesuits continues to be hindered by these same criminals.

6. Once again, Cristiani made it evident in his speech that the existence of the Armed Forces is not at stake in the negotiations process. In this manner, he ended all possibilities of negotiating the main factor of the war in El Salvador. In view of Cristiani's attitude in the past two years, it is difficult to believe in his words, especially when he recently beat the war drums by evicting the peasants who had taken over some idle land. In this manner, he expressed his determination to use force, even if the Farabundo Marti Liberation Front [FMLN] rants and raves, to quote Cristiani.

Thus, Cristiani does not want peace, but war. In view of this, the END has been acting in a moderate and patient manner, even in confronting the Army's offensive. If in spite of this, however, the Cristiani government wants war, then there will be war.
[Signed] END Joint General Staff El Salvador, 4 June 1991.

Cristiani, Ponce on Counterinsurgency Operations

PA0706024091 San Salvador LA PRENSA GRAFICA in Spanish 6 Jun 91 p 2

[Text] Military counterinsurgency operations are being implemented by the Army throughout the country in search of rebels and terrorists determined on hindering the progress of the peace process. This was reported by President Alfredo Cristiani and Defense Minister General Rene Emilio Ponce. They also added that the Salvadoran people must trust the Armed Forces.

The president said that the FMLN [Farabundo Marti National Liberation Front] should face the truth of the situation, and it should be prudent in its actions, especially those of barbarism, which they have been conducting against the civilian population.

Cristiani added that the advisers and drafters of the FMLN's policies should not continue to promote campaigns for the expropriation or occupation of private property, because this type of action is in violation of the Constitution.

For the past several days the military operations have been concentrated in Guazapa Hill, Nejapa, the slopes of the San Salvador Volcano, San Jose Guayabal, San Jose Las Flores, etc.

Military spokesmen have expressed the Army High Command's interest in stopping the FMLN's terrorist actions against the Salvadoran people.

According to the military, in the past few weeks the FMLN has increased its actions against the public services, especially against the power system, strongly affecting many low-income families.

Yesterday, President Cristiani and Gen. Ponce categorically denied that the FMLN terrorists have territories under their control. They added that the control the FMLN exercises is in the destruction of utility poles, the threatening of judges and mayors, blackmailing the civilian population, and in damaging private property. Cristiani and Ponce explained that the terrorists have no territories under their control. What is happening is that the rebels take advantage of the absence of soldiers and enter defenseless towns. They are doing this to gain local and international attention.

Deputy Discusses Health of D'Aubuisson

PA0606043191 San Salvador DIARIO LATINO in Spanish 4 Jun 91 p 1

[Text] Arena [Nationalist Republican Alliance] Deputy Raul Pena Flores reported today that Major Roberto D'Aubuisson, who is in the United States for medical treatment for a tongue tumor, will return soon.

It is said that D'Aubuisson is undergoing treatment to prevent the tumor from spreading, but it is not chemotherapy.

"It is just like any other illness. He is following a diet to get better," Pena Flores said.

The deputy rejected the notion that the political leader will have any organ removed.

"It is absolutely false," he stressed.

Pena Flores said that the patient is relaxing, but he is still up to date on what is going on in the country.

He has returned to El Salvador several times.

The deputy explained that once D'Aubuisson returns to El Salvador, it will take him some time to join the battle," referring to politics. [no opening quotation mark as published]

On another topic, Pena Flores described as ill-intended and untrue the opposition's criticism of President Alfredo Cristiani's two years in office.

The various opposition parties have said that although there has been economic growth, social development has not followed.

The Arena leader rejected these ideas and explained that there is a shortage of manpower for this year's harvest.

Summary of Recent FMLN Activity Outlined

PA0506194091

[Editorial Report] (Clandestine) Radio Farabundo Marti in Spanish to El Salvador at 0000 GMT on 27 May reports that "the National Army for Democracy, END, inflicted 14 casualties on the Atlacatl Battalion in Guazapa on 25 May." The station continues to report that on 25 May, the Farabundo Marti National Liberation Front, FMLN, "released two 1st Infantry Brigade soldiers, who were taken prisoner on 23 May and taken care of by the FMLN after they were wounded in combat and abandoned by their unit." In a weekly military summary, the station reports that "the END inflicted 179 casualties on government troops from 19 to 25 May. This figure includes three officers and a noncommissioned officer. One cavalry soldier and two 1st Infantry Brigade soldiers were taken prisoner in Chalatenango and Guazapa, respectively. The three men have already been released. In addition, the following war material was recovered: 30 rifles, one M-79 grenade launcher, one Light Antitank Weapon, one PRC-77 radio set, 1,000 rounds of ammunition, and other supplies. In addition, 87 pylons and posts were blown up.

(Clandestine) Radio Venceremos in Spanish to El Salvador at 0000 GMT on 28 May reports that "the Atlacatl Battalion sustained 13 casualties during clashes on the slopes of Cerro Guazapa, Cuscatlan Department on 26 and 27 May." The station gives a breakdown of the casualties. "Antipersonnel mines inflicted five casualties. Two soldiers were brought down by snipers in El Rincon. Two more casualties were inflicted by antipersonnel mines in La Cruz. Four more casualties were inflicted in Los Ramirez."

Paris AFP in Spanish at 0055 GMT on 28 May reports that, according to an official from Coprefa, Armed Forces Press Committee, report, "at least 10 guerrillas and two soldiers were killed and more than 20 combatants of both sides were wounded over the weekend in San Jose Guayabal, 40 km north from San Salvador." In addition, Coprefa reports that the government forces "overran a rebel camp, where they seized 123 antipersonnel mines." Citing Radio Venceremos, the AFP dispatch says that government troops left the bodies of several soldiers where they fell. The Lempa River Hydroelectric Executive Commission reports that three primary power lines were put out of commission after FMLN men blew up a certain number of posts and pylons.

(Clandestine) Radio Farabundo Marti in Spanish to El Salvador at 0000 GMT on 28 May reports that "a clash occurred on 27 May with the 2d Infantry Brigade on the Santa Ana Metapan Highway, near Monte El Padre. The enemy, attacking with grenades and RPG-7 grenade launchers, sustained six casualties." In Cabanas, one Treasury Police member was brought down by sniper fire in Cerro El Brujo, near Villa Victoria, Cabanas Department. The station also reports that on 26 May, the END clashed with paratroopers in La Joya, Tejutepeque, Cabanas Department. The Army sustained one casualty.

San Salvador DIARIO LATINO in Spanish on 1 June on page 5 reports that the FMLN destroyed one armored personnel carrier and damaged another and destroyed one Army truck between Santa Tecla and the port of La Libertad, near Zaragoza. Army forces sustained two casualties.

(Clandestine) Radio Venceremos in Spanish to El Salvador at 0000 GMT on 29 May broadcasts five minutes of battle reports which say that "at 1700 on 27 May END soldiers clashed with troops of the Atonal Battalion in Jocote Dulce canton, Chinameca jurisdiction, San Miguel Department," inflicting "eight casualties on the enemy." The report adds that one END soldier was "slightly wounded." The report also states that "on 27 May END soldiers surprised Army troops in Los Pozos, Aguas Calientes jurisdiction, Chalatenango Department, inflicting one casualty."

The clandestine station notes that "END units sabotaged four power pylons of the 115,000-volt line in Llano El Chilamate canton, Jucuapa jurisdiction, Usulutan Department" on 27 May, and "at 0100 on 28 May, sabotage units dynamited two pylons of the 115,000-volt line between Acajutla and San Juan Opico in El Rosario canton, Armenia jurisdiction, Sonsonate Department."

The segment ends with a report on the death of END communications specialist Daniel Chicas Argueta, alias Armando, in clashes agains; the Atonal Battalion in Ojos De Agua canton, Chinameca, San Miguel Department.

(Clandestine) Radio Farabundo Marti in Spanish to El Salvador at 0000 GMT on 29 May broadcasts seven minutes of battle reports that include a report which says that "specialized END units carried out a surprise operation" against the Atlacatl Battalion and 1st Infantry Brigade artillery units in San Jose, Guayabal jurisdiction, Cuscatlan Department. The rebels report using 81-mm mortar fire against the artillery positions, "inflicting 20 casualties" and causing some damage to the artillery pieces.

A report from Cabanas says that END units attacked a penal center near Suchitoto in Cuscatlan Department where artillery equipment is stored. The rebels "inflicted 17 casualties on the 1st Infantry Brigade units" and "a long-range artillery piece was damaged."

In the same segment of battle reports, a report notes that "on 29 May END artillery units, using 81-mm mortars, attacked a power plant known as (Calacatal) located in the western sector of San Miguel city." The rebels claim that "eight of our shots hit the target, causing partial damage to the installations."

(Clandestine) Radio Venceremos at 0000 GMT on 30 May broadcasts 15 minutes of battle reports, one of which states that on 29 May the END forces carried out operations in eight departments in response to the Armed Forces' national offensive and took control of the hamlets of San Francisco Morazan, Trinidad, and Rio Grande in Chalatenango Department. The report adds that at 0745 on 29 May in San Ignacio, END forces clashed with the 4th Infantry Brigade, resulting in two Army casualties.

A report from San Miguel Department states that on 29 May, END units took over the road near La Trinidad, San Miguel, where they sabotaged five power pylons and three transformers. At 0800 government forces showed up and fighting ensued, resulting in two Army casualties.

A report on activities in Usulutan Department states that END units took control of the Pan American Highway near Aguita from 0500 to 0800 on 29 May, and that on 28 May there were heavy clashes between END units and Arce Battalion in San Augustin, which resulted in four troop casualties.

Another report states that END units carried out military maneuvers in Suchitoto, Cuscatlan Department from 0700 to 1200 on 29 May and attacked the local jail where the Armed Forces houses its artillery. A total of 17 casualties were inflicted on the 1st Infantry Brigade and a long-range artillery piece was partially destroyed.

END specialized units launched a surprise attack at 0200 on 29 May on the Atlacatl Battalion and 1st Infantry Brigade's rear guard, "which are carrying out operations in our areas of control in San Jose, Guayabal." The attack resulted in 20 troop casualties. The report adds that "the criminal Armed Forces bombed the civilian population in San Jose, Guayabal after the END units inflicted 20 casualties on their troops."

(Clandestine) Radio Farabundo Marti in Spanish to El Salvador at 0000 GMT on 30 May broadcasts a six-minute report stating that "at 0500 on 29 May, END columns took over the towns of Villa El Triunfo and Lolotique, as well as a section of the Pan American Highway that runs from Villa El Triunfo to the Jucuapa Bridge, in San Miguel and Usulutan Departments." The reports state that the END forces burned "two trucks owned by the Texaco Company." The report states further that "our comrades clashed with two Cuscatlan Battalion companies and Cavalry units at 1130 on 29 May in Villa El Triunfo, inflicting 11 casualties on the enemy."

This report quotes "Anastacio Aquino Paracentral Front" sources as stating that at 1230 on 29 May, END units clashed with Nonualco Battalion troops in Tecoluca Jurisdiction, San Vicente Department, "inflicting nine casualties on the Armed Forces, three on the National Guard, and six on Military Detachment No. 2." The report says that at midnight on 28-29 May, "our comrades destroyed three pylons along the coastal highway in Santa Catalina Farm, La Paz Department."

San Salvador EL DIARIO DE HOY in Spanish on 30 May carries a 100-word report quoting Defense Ministry sources as saying that "three soldiers have been kidnapped by FMLN-FDR [FMLN-Revolutionary Democratic Front] terrorists in the eastern part of the country." The report states that the soldiers were kidnapped "as they were visiting their relatives in Jocoatique" and "El Transito, San Miguel Department."

(Clandestine) Radio Farabundo Marti in Spanish to El Salvador at 0000 GMT on 31 May carries eight minutes of reports on clashes between FMLN guerrillas and Salvadoran Army troops. The first report states that at 0530 on 30 May, END members attacked 1st Infantry Brigade commando units in Santa Barbara Canton, Guazapa jurisdiction. As a result, "10 casualties were inflicted on the Army troops."

Another report states that at 1230 on 29 May, on the road leading from Paraiso to Chalatenango, END units conducted a successful ambush on a vehicle carrying 4th Infantry Brigade soldiers. As a result, "10 casualties were inflicted on the Army troops."

Radio Farabundo Marti adds that at 0105 on 30 May, FMLN artillery forces attacked the installations of Military Detachment No. 1, based in the city of Chalatenango, with RPG-7, mortar, and machine gun fire, inflicting "five casualties on the troops."

The rebel station also reports that at 1730 on 29 May, END units ambushed two military trucks that were carrying troops on the road between Ilobasco to Sensuntepeque. The ambush took place on the detour to (Llano La Hacienda), San Isidro jurisdiction, Cabanas Department. "As a result, 15 casualties were inflicted on Military Detachment No. 2."

At 0000 GMT on 1 June, (Clandestine) Radio Venceremos broadcasts a six-minute report saying that "771 casualties were inflicted on the anti-democratic Armed Forces during the month of May." The report states that "11 officers, 14 noncommissioned officers, and 18 prisoners of war are listed among the 771 Army casualties." It adds that during the month of May, END forces "seized 34 rifles, three M-79 grenade launchers, one M-60 machine gun, six M-62 rocket launchers, 6,000 bullets, 15 PRC-77 communication radios, and 68 backpacks." The report states further that "one Air Force helicopter was damaged, as well as three military trucks, and three tanks." The headquarters of Military Detachment No. 1 in Chalatenango "also sustained considerable damage during May," in addition to "three dams and dozens of energy pylons." According to the report, "the END reported that four guerrillas were killed and three others were wounded during the month of May."

The report "highlights the maneuver against 6th Infantry Brigade troops on 11 May in Moropala, Concepcion Batres Municipality, Usulutan Department," where END forces "inflicted numerous casualties on Army troops, captured 13 prisoners of war, and seized 15 rifles."

(Clandestine) Radio Venceremos carries another six-minute report in its newscast at 0000 GMT on 1 June, which says that "two battalions were forced to withdraw from San Rafael Oriente, San Miguel Department, after a six-hour battle on 31 May with FMLM forces and 6th Infantry Brigade forces." The report adds that at 0700 on 31 May, FMLN forces ambushed the Cacahautique Battalion's 4th Military Detachment on the road to Corinto, Morazan Department, causing nine casualties. The report claims that shortly after the attack was launched, the government troops fled in disarray, leaving behind an M-16 rifle, a backpack, three hand grenades, and 500 cartridges.

The report notes that there were clashes between END units and the Oromontique Battalion in San Rafael Corinto on the same day and that, after six hours of battle, the government forces were forced to withdraw with 11 casualties. The report also states that END forces expelled Cacahuatique Battalion from San Rafael Oriente on 31 May.

San Salvador Canal Doce Television in Spanish at 0300 GMT on 1 June carries a three-minute report stating that on 31 May at 2000, two soldiers were wounded in attacks by rebel urban commandos using RPG-7 rockets, launched from the Guadalupe Basilica against Army positions in front of an abandoned building in Guadalupe neighborhood.

The report claims that seven rebels and two soldiers died in clashes on 31 May in northern San Salvador, in the Guazapa area, while members of the 1st Brigade held back an attack on a military base in Santa Barbara where eight more soldiers were wounded.

Nicaragua

FSLN Communique Denounces Abolition of Law 92

PA0706043991 Managua EL NUEVO DIARIO in Spanish 5 Jun 91 p 1

["Text" of communique issued by Daniel Ortega, coordinator of the Executive Commission of the Sandinist National Liberation Front's National Directorate; place and date not given]

[Text] The National Assembly has abolished Law 92, which guaranteed the fulfillment of the International Court of Justice's verdict, whereby the U.S. Government was to repay Nicaragua for the damages caused by the war.

This historic verdict is today threatened by those who have sold their votes to abolish Law 92.

The Sandinist National Liberation Front [FSLN] National Directorate denounces the attitude of those who, by selling their votes, have betrayed Nicaragua, the nation's dignity, the Third World countries' interests, and international law.

The FSLN has withdrawn its representatives from the National Assembly because it will not, by any means, be an accomplice to this act of betrayal that also threatens the country's stability.

The FSLN, with the Nicaraguan people, will defend the strict fulfillment of the verdict by the International Court of Justice at The Hague.

Free fatherland or death!
Managua, 5 June 1991

FSLN Expels Deputy Commander Rafael Solis

PA0606130191 Managua LA PRENSA in Spanish 31 May 91 p 8

[Article by Roger Suarez M.]

[Text] "This Moment" newscast, broadcast on Radio Mundial, reported this morning that Rafael Solis was advised verbally by Commander Bayardo Arce that he had been expelled from the ranks of the Sandinist National Liberation Front [FSLN].

According to newscast sources, Arce informed Deputy Commander Solis that he had been expelled from the Sandinist party for promoting division within the ranks of the FSLN. The Sandinist directorate's decision to expel Solis would reportedly be made in writing within the next few days.

After the change in power, Deputy Commander Solis Cerda criticized the looting of state property conducted by his party members. Last week, he asked for this action, which has harmed the people and the FSLN, to be reviewed.

"One cannot be stubborn and defend that which undoubtedly weighs down the future of Sandinism and is rejected by the people because it is something negative," Solis said at a recent panel discussion organized by the German Friedrich Ebert Foundation.

The FSLN is planning to hold its party congress in July. At that time the party will review its by-laws, approve a political program, and elect or ratify the FSLN directorate. Solis recently said that to leave the same commanders in office, is not a change and that he would only accept their reelection if the voting is done by secret ballot.

For many years, and especially as first secretary of the National Assembly under the late National Assembly President Carlos Nunez Tellez, Deputy Commander Solis was key in the designing of the Sandinist government judicial system.

Solis has also criticized the "fighting and destabilizing actions" of the pro-Sandinist National Workers' Front, which responded by attacking Solis' criticism.

H. Ortega on Alleged Attacks Against Officials

PA0606220091 Managua Radio Nicaragua Network in Spanish 1836 GMT 6 Jun 91

[Text] Defense Ministry spokesmen have reported on alleged attacks promoted by local groups, linked with groups stationed abroad, against President Violeta Chamorro and Army Chief Humberto Ortega.

After appearing before the Defense and Government Commission of the National Assembly yesterday, General Humberto Ortega said there are constant signs of attacks against President Chamorrro, Presidency Minister Antonio Lacayo, and himself.

Gen. Ortega said that groups living outside the country are apparently involved in these alleged attack plans, but he preferred not to provide further details, because information is still being collected.

The Nicaraguan Army chief mentioned one of the people allegedly involved in the attacks, but identified him only with the name of Renato.

A Defense Ministry spokesman, who was questioned by the ACAN-EFE News Agency, said that up to now there is no information in this regard, and that the information would be handled by the Army chief and information departments.

Panama

Prosecutor's Office Confirms Uprising at Garrison

PA0706030691 Hamburg DPA in Spanish 0207 GMT 7 Jun 91

[Text] Panama City, 6 Jun (DPA)— The Chiriqui Province Public Prosecutor's Office announced today that it will prosecute the members of the National Police who, in the past few hours, rebelled against civilian authorities and blocked access to the former military garrison. Government spokesman Abdiel Torres said that the policemen had practically destroyed the entire garrison that housed the former Peace Battalion. This occurred when they entered the garrison to retrieve some of the equipment still located in the garrison.

Torres added that when the authorities arrived at the former garrison, they asked the policemen to produce written orders giving them permission to dismantle the garrison. It was then that the lieutenant in charge answered that he only obeyed orders from his superiors. The government spokesman then ordered the lieutenant's arrest, but none of the policemen obeyed the order.

Meanwhile, Municipal Judge Annette Sang said that the policemen armed themselves with heavy caliber weapons and did not allow civilians to enter the area. Sang added that the policemen also drove their trucks around Renacimiento District, honked horns, and made mocking gestures at civilian authorities.

The situation was overcome when two members of the National Police Directorate were sent to Renacimiento District. They have promised to utilize the necessary disciplinary measures.

Chiriqui Province District Attorney Felix Perez said that there are approximately 20 people under investigation for this incident and that he expects to issue warrants for their arrest.

A communique issued by the Government and Justice Ministry "denied" that an "uprising" by policemen stationed at the former Peace Battalion headquarters had occurred. The country is "calm," therefore, the report "is a lie" that only seeks to cause uneasiness, the communique states.

Government Denies Uprising

PA0606234791 Panama City Telemetro Television in Spanish 2325 GMT 6 Jun 91

[Text] A few minutes ago the government and Justice Ministry denied that there has been an uprising in Renacimiento District, Chiriqui Province. The uprising allegedly occurred at the installations where the Peace Battalion of the now-defunct Panama Defense Forces operated. According to information provided by Public Force Director Gonzalo Menendez Franco, no such uprising has been reported in any province in the country. Such incidents cause fear and anxiety among the people, the communique adds. The government and Justice Ministry has described the report on the alleged military uprising in Chiriqui Province as a lie. The communique concludes by stating that the whole country is calm. The government and Justice Ministry reaffirms its democratic nature, ensuring that the laws are respected and that the people's tranquility is guaranteed.

Associations To Reject Social Security Reforms

PA0506215491 Panama City EL DIARIO INDEPENDIENTE in Spanish 3 Jun 91 p 9

[Article by Josefa Cedeno]

[Text] According to Dr. Miguel Calobrides Iglesias, general secretary of the Association of Doctors, Dentists, and Related Professionals of the Social Security Fund [AMOACSS], a total of 25 civic and professional associations have combined and formed the Social Security Fund Defense Front.

Some of the associations that comprise the new front are the AMOACSS, the National Federation of Public Workers, the Laboratory Technicians National Collegiate, the United Panamanian Teachers Union, the Nurses Aids Association, the Accountants Association, the Association of Relatives of Invasion Victims, the CNTP [National Central Organization of Panamanian Workers], the Construction Workers Union, the Panamanian Association of Insurance Underwriters, the CONADE [National Council of Destitute Workers], the IRHE [Institute of Hydraulic Resources and Electrification], and INTEL [National Institute of Telecommunications] unions.

Dr. Calobrides rejected the possibility of calling a strike of doctors and Social Security Fund employees, saying that such a measure would not help to attain their intended objectives.

The AMOACSS believes that the proposed social security regulation reforms affect insured persons and their beneficiaries alike, because, among other things, it eliminates compensation for non-professional and maternity care.

In addition, mortgage loans to insured persons to construct or purchase a home will charge interest rates similar to those of Banco Nacional.

Meanwhile, the proposed law establishes that to obtain disability and old age pensions, the individual must have paid at least 60 monthly allotments instead of 36. The proposed law also increases the retirement age for women from 55 to 60 years old, and widows will only be able to receive a lifetime pension when they reach 60.

Former Administrator Discusses Future of Canal

PA0606040691 Panama City Circuito RPC Television in Spanish 2300 GMT 5 Jun 91

[Passages within quotation marks are recorded]

[Text] This morning, members of the Democratic Revolutionary Party [PRD] attended a breakfast meeting at which Fernando Manfredo, former acting administrator of the Panama Canal Commission, was the guest speaker. During the meeting, Manfredo talked about the future of the waterway, the government's policy with regard to the future of the waterway, and the U.S. administration's attitude toward the waterway. In his speech, Manfredo stated that the U.S. Government has told its Panamanian counterpart that in light of the difficult economic situation experienced by Panama, and the huge investments the canal requires, the wage scale should be restructured to save money and by doing this, the canal transit tolls would not be increased, thus resulting in a $900 million savings.

[Manfredo] "It is my personal opinion that the United States is waiting for the right moment to say: Look, we are going to make this investment in the canal, but we will not be able to recover our investment because the canal will pass to your hands in the year 2000. What we would be doing is giving the U.S. taxpayer's money to Panama. There have always been ill-feelings in the United States because the canal was given to Panama, now just imagine what a political problem we would have if in addition to giving you the canal, we were to give you $300 or $400 million.

"We could make a deal. Let us rent the military bases for a certain length of time, and the rent money will be used to repay what we invested in the canal for the widening of the Culebra Cut.

"I am not trying to say that this is what is going to happen, but I suspect that...."

When answering questions made by those attending the breakfast meeting, Manfredo rejected the need for a military corps to protect the canal in the future.

[Manfredo] "Who would profit from the destruction of the Panama Canal? The answer is: No one. Who would be the loser? Everyone. Therefore, I do not believe anyone would be interested in destroying the Panama Canal. Doing this does not represent a military advantage for any one country. Destroying the canal would be harming many countries. Therefore, I do not think that it is necessary to have an army in Panama to protect us against an attack from who knows who, from the United States or some other super power."

When asked about the future of the waterway and the fact that it could become obsolete, Manfredo referred to studies made by some companies on patterns observed in international trade.

[Manfredo] "The studies concluded that the canal will continue to have a sustained growth rate, even though the rate will be low. In light of what is happening around the world and in the minds of the technicians who are developing transportation techniques that would break a crystal ball, it is very difficult to predict how true the statements made by the Japanese ambassador and some members of the maritime community could be. Panama, we Panamanians must study the situation and make our long-term plans. We must try to find out what the future holds for the canal as a commercial enterprise. How much demand the canal will have, and what the Panamanians must do for the canal to continue being the best route. We have not done any of this. We have been depending on studies made by the United States, a

country that only has interests in the waterway through the year 2000. After the year 2000, the responsibility for the canal and the financial risks to be taken fall on Panama. We have done absolutely nothing about this."

PDC-Government 'Negotiations' in Florida Noted

PA0406014991 Panama City EL DIARIO INDEPENDIENTE in Spanish 3 Jun 91 p 22

[Text] Despite the secrecy surrounding the negotiations in Panama and southern Florida, EL DIARIO INDEPENDIENTE has discoverd the topics being discussed between the Christian Democratic Party [PDC] and the government of Endara Galimany. The PDC was excluded from the government following orders from the president of the Republic and his closest advisers.

A banker that lives in Miami, and a high-ranking Arnulfist Party leader representing the government, are reportedly participating in the negotiations. One does not rule out the possibility that officials from the Bush administration are conducting some diplomatic efforts to help these negotiations. It is said that Washington has some misgivings about dangerous social explosions that are looming in Panama's immediate future.

The differences between the Arnulfists and the Christian Democrats over national policy reached a point beyond reconciliation and exploded when the Legislative Assembly was discussing a political trial against Endara.

As of 8 April, when they were expelled from the government by President Endara, members of the Green Stars [PDC] have waged a relentless campaign to thwart government programs, coinciding at times with efforts of the Torrijista wing of the PRD [Democratic Revolutionary Party]. To cite a few examples, the 13th-month bonus for public employees, rejection of the reforms to the CSS [Social Security Fund] as proposed by Endara, and the uncontrolled payment of the foreign debt without taking into consideration the interests of the people, the farming sector, and Panamanian businessmen.

PDC President Arias Calderon has insisted that the correct course to follow in "saving Social Security is by not harming the beneficiaries." In the Assembly, the Green Stars have cast their (28) votes to point out the undeniable need for the government to repay its nearly 2 billion balboa debt to the CSS which includes overdue payments, loans endorsed with ridiculous documentation, and other obligations. They are also demanding the implementation of an economic plan that will save the productionb sector that is seriously threatened by the new tariff policy.

When the PDC left his government, Endara Galimany was very decent when he said he felt "admiration and respect for Arias Calderon," and he said he had no personal feelings of ill will against the leader of one of the strongest parties that shared much of the sacrifice during the ADOC [Civic Democratic Opposition Alliance] election campaign. Even though the Green Star leader denied recent statements by prominent Arnulfist Legislator Francisco Artola, who is very close to the president, EL DIARIO INDEPENDIENTE learned that negotiations are progressing quickly as the Endara advisers are now convinced that they cannot govern with a hostile Legislative Assembly that obstructs government programs.

Arias Calderon claims that the so-called legislative coincidences with the PRD are the result of Endara Gaimany's decision that disrupted the government's majority when he forced the PDC into the "opposition." At this time, the PRD tips the balance with its 12 deputies. Endara has 27 legislators, while the PDC has 28. It takes 35 votes for a majority. Whereas Dr. Arias Calderon, vice president of the Republic, had been insisting that one could not service the public debt at the cost of increasing the "social debt" with the people, Comptroller General Ruben Dario Carles insisted on the need to "tighten our belts" and pay the foreign banks.

Change in 'Patterns' of Money Laundering Noted

PA0606154791 Panama City EL SIGLO in Spanish 4 Jun 91 p 10

[Report by Aneldo Arosemena]

[Text] According to a report issued by the U.S. Office of Drug Control Policy dated March 1991, the U.S. Drug Enforcement Agency (DEA is the agency's acronym in English) reported that in 1990, $67 million in drug money was sent from Colombian banks in Panama to Italy, France, Luxembourg, Finland, Norway, and Hungary. The report adds that banks in these countries froze the deposits. This was done through various operations staged by international antidrug organizations, which prevented the money from reaching the drug cartel's various international bank accounts.

A copy of the report, written in English and conscientiously translated into Spanish by EL SIGLO translators Aristides Cajar and Alex Gongora, said that the patterns for drug money laundering in Panama "seem to be changing" because there are reports that the Colombian businesses, that in the past got their dollars from their own "gray" market, now get their cash in Panama. According to the report, "the Colombian drug traffickers no longer keep substantial amounts of money in Panamanian banks too long. Likewise, there is proof that these funds are constantly being moved around through various banks in Panama and then transferred to Europe and other financial centers from where, in one way or another, they are returned to Colombia after being supplemented substantially."

Meanwhile, the Office of Drug Control Policy has said that there are currently 370 frozen accounts in local banks. It is believed that these accounts could be linked to drug trafficking, even though the report adds that the freeze on many of these accounts has already been lifted. The report, however, does not provide additional details

on the reasons for lifting the freeze. Likewise, it adds that at the Banco de Occidente in Panama, $80 million has been frozen.

A problem mentioned by the U.S. officials in this report is that there are differences among the various U.S. agencies responsible for fighting drug trafficking regarding the mechanism to use to accelerate the requisition of Panamanian bank records. This must be done in such a way that it can be admitted as proof in cases brought before U.S. courts.

Likewise, the aforementioned report states that during the discussion of the Mutual Legal Assistance Treaty (MLAT), the Panamanian lawyers and banking sectors, especially the Colombian banks, strongly opposed the treaty. According to the Americans, "this must be overcome by Endara." They also expect opposition to the treaty from "some Panamanian officials." The Panamanian Government's reluctance to finalize the agreement, after lengthy negotiations, could be attributed to the lobbying of the bankers and lawyers, according to whom the MLAT would ruin financial and commercial center interests.

In addition, the report from the Office of Drug Control Policy states that the Colombian and other foreign banks in Panama continue to resist the MLAT.

Former Bank Manager Ignores Laundering Summons

PA0606040191 Panama City EL SIGLO in Spanish 4 Jun 91 p 2

[Report by Aneldo Arosemena]

[Text] Ernesto Tito Vega, former manager of the closed Interoceanico Bank, has been charged with contempt for failing to appear on 3 June as required by a summons from Ariel Alvarado, drug secretary of the Attorney General's Office.

According to what this reporter has learned from a source at the Attorney General's Office, this is the second time Vega was to testify before the Attorney General's Office Drug Secretariat. The first time was in the middle of 1990, when Vega had to answer charges made by a DEA [Drug Enforcement Agency] agent concerning alleged money laundering by the Interoceanico Bank during his management.

"Tito" Vega has to tell the Drug Secretariat what happened to about $12 million that belonged to world drug trafficking czar Gonzalo Rodriguez Gacha, one of the bosses of the Cali Cartel. These funds were frozen by the Attorney General's Office in October 1990 when the National Banking Commission decreed that the Interoceanico Bank supposedly had insufficient funds.

Vega is expected to comply with the summons today, otherwise, according to the source, an arrest warrant may be issued.

The Interoceanico Bank is currently under government control and Vega is no longer acting as manager while the Attorney General's Office investigates the bank's alleged links to money laundering. The money laundering charges stem from a January 1990 report by DEA Agent Keith Budin delivered to Attorney General Rogelio Cruz.

Civic Crusade Cancels Anniversary Celebrations

PA0606192891 Panama City EL DIARIO INDEPENDIENTE in Spanish 6 Jun 91 p 3

[Communique No. 380-91 issued by the Office of the Mayor of Panama Municipality in Panama City on 6 June]

[Text] The Executive Committee of the Civic Crusade has decided, because of internal differences, to cancel the ceremony to commemorate the fourth anniversary of the founding of the crusade, that noble embodiment of our aspirations of justice and freedom. The Mayor's Office, which had sponsored and supported that glorious ceremony, has decided, out of respect for the Civic Crusade's decision, to cancel all support activities that had been scheduled in this regard.
Mayin Correa
Capital District Mayor's Office

Cuban Embassy Implicated in Election 'Espionage'

PA0406001191 Panama City EL SIGLO in Spanish 3 Jun 91 p 8

[Report by Aneldo Arosemena]

[Text] The Electoral Tribunal Prosecutor's Office is investigating the possibility that the Cuban Embassy in Panama may have engaged in espionage activities during the 1989 elections. It was been discovered that a section of cable belonging to the Electoral Tribunal's Systems Directorate was located underneath the Cuban Embassy on Cuba Avenue.

According to an investigation conducted by this journalist, there is a report on fraud committed in 1989 presented by Javier Eskildsen [not further identified] before the Prosecutor's Office. This report is linked with another report that was presented after the annulment of the elections by the three ADOC [Civic Democratic Opposition Alliance] candidates, namely Endara, Arias Calderon, and Ford.

Based on these findings, it has been uncovered that members of the communications department of the now-defunct Panama Defense Forces [PDF] had established an office at the Electoral Tribunal's child care center, located on 33th Street and Cuba Avenue. From this office, the PDF communication department members placed a coaxial cable running to the Electoral Tribunal's Systems Department, located on 34th Street. One section of this cable, however, ran under the Cuban Embassy. According to one of the witnesses in this case,

it has not been ruled out that the Cubans may have had access to election information.

Regarding the progress of the investigation, it has been learned that PDF members had the computers and passwords necessary to modify the voting register. The authorities are trying to find out when the changes were made, who made them, and what the objectives were. What in fact has been demonstrated, is that changes were made beyond the established deadlines to add persons to the voting register. Authorities are trying to determine if the voting register was altered or tampered with because it contains important information on the voters.

Another interesting report that has surfaced claims that the Christian Democratic Party [PDC] also engaged in "mischievous" election activity. This charge stems from the case of an Electoral Tribunal official who was fired at the end of 1988, after it was discovered that he had given computer tapes containing the voting register to the PDC. This citizen has currently rejoined the Electoral Tribunal staff and his initials are V.M.C.

So far, eight Electoral Tribunal officials have presented their sworn statements on the alleged PDF tampering with the voting register. This week, a group of officials from Intel [National Institute of Telecommunications], other Electoral Tribunal officials, and the PDF communications chief John Pimento—who has yet to explain his participation in this incident—are expected to testify. This week, government officials will also examine the wiring, some of which can still be seen.

If any evidence on the shameful changes to the electoral registry is found, those responsible may face penalties ranging from a two-month suspension to the elimination of their rights as citizens and suspension from their jobs for one to three years, in conformity with Article 313, Paragraph 7 of the Electoral Code.

Commentary on Kozak, Assistance Program Role

PA0406140391 Panama City LA PRENSA in Spanish 2 Jun 91 p 1A

["From Washington" column by Betty Brannan Jaen]

[Text] This week there was a rumor circulating that Michael Kozak [principal deputy assistant secretary for Inter-American Affairs] would be appointed U.S. ambassador to Panama, and not to El Salvador as had been reported three weeks ago. A State Department spokesman, however, denied this information.

Michael Kozak, as was reported recently in this column, has been working in the State Department with the programming and implementation of U.S. policy toward Panama for over 15 years. Many Panamanian observers note, with concern, that Kozak has been a State Department employee since the time his government supported the dictatorship. Others angrily recall that it was Kozak who offered Noriega an "honorable" retirement in 1988. Under those terms, Noriega would have left his dictatorship apparatus intact to present himself later as a presidential candidate in the 1989 elections held during Solis Palma's administration. Fortunately, Noriega rejected the offer.

These Panamanian observers are now alarmed at the possibility that Kozak could be the next U.S. ambassador to Panama.

To verify this information, I contacted the State Department's press office where a spokesman told me that the information was not true and added in a joking manner: "They are always saying that [Ambassador] Deane Hinton's departure is imminent."

It should be noted that this same spokesman denied one month ago that Kozak would be appointed ambassador to El Salvador. A few days later the MIAMI HERALD published the news and then that spokesman admitted that only the White House's confirmation was pending.

In light of this incident, we decided to verify this new rumor with Michael Kozak himself but this proved impossible. We called him five times, but, contrary to Mr. Kozak's usual courtesy with LA PRENSA, he never returned any of our calls.

Meanwhile, there was also a rumor that Juan B. Sosa, former Panamanian ambassador to Washington, had been hired by AID [Agency for International Development] as an expert consultant for Panama's "democratization." It has also been speculated that Sosa's hiring would be part of a contract obtained by the U.S. firm Miranda Associates for "reform" of the Public Force.

To verify this information, we started by interviewing by telephone the AID director in Panama, Thomas Stukel, who categorically denied that there was any contract between Juan B. Sosa and AID. We also called Mr. Sosa, who likewise denied the information.

Nevertheless, since we wanted to investigate the link between the Public Force and Miranda Associates, we also called the firm where an Alice Bruing told us: " The Icitap—Justice Department's Technical Assistance Program [as published]—has asked us not to talk about the program."

We were surprised by this secrecy so we then decided to call Icitap. We left numerous messages requesting to talk to the director or deputy director, or even with the program's supervisor. We even called the U.S. Embassy in Panama and tried to talk to the local Icitap Director Rick Lang. None of these persons responded to our numerous calls.

At last, a few minutes before wrapping up this column, Rod Asbury from Icitap returned our calls. Asbury gave us an interview on 3 June with the Icitap director. Asbury told us that the Icitap program in Panama has a $13.2 million budget and three purposes: 1) develop a professional police force devoted to fulfilling the legal system and respecting human rights; 2) turn the PTJ

[Technical Judicial Police] into an efficient institution, respectful of citizen rights and capable of utilizing physical evidence and witnesses (instead of depending mostly on "confessions"); and, 3) develop a system to monitor and investigate the police force's and the Attorney General Office's individual and institutional integrity.

The $13.2 million being spent on this program is part of the aid package to Panama. The United States considers this direct aid to Panama, although we have not seen one cent. Meanwhile, Miranda Associates, a firm owned by "minorities," which has preference in competing for government contracts, is receiving a sizable sum of the $13.2 million. This firm supplies all the technical and training personnel to implement the program in Panama. Icitap only supervises what Miranda Associates does.

In April, before a U.S. Congressional hearing, two expert observers of the Panama situation expressed their concern for the Icitap role here. During the hearing, Professor Richard Millet said that the problem with the Public Force was not a matter of training, but rather the political surroundings in which the institution was managed. In private Professor Millett told us: "These people from Icitap frighten me. They are former FBI agents and no matter how good their intentions are, they have no idea of what is going on in Panama."

Professor Mark Rosenberg agreed, and during his statements before Congress said: "Icitap is a agency that was created to find quick-fix solutions in countries such as El Salvador and it is not an agency trained for the tasks it has to face in Panama."

Tomorrow we will discuss these matters which concern us with the Icitap director, we will investigate Icitap's work in Panama, and then we will report on this issue once again in a few days.

Ministry Communique on Envoy to Argentina Cited

PA0106024391 Panama City EL PANAMA AMERICA in Spanish 31 May 91 p 1A

[Report by Eduardo Soto P.]

[Text] A Foreign Ministry communique has announced that Panamanian Ambassador to Argentina Pedro Escalona Rios will remain in Panama until investigations have been completed regarding his alleged participation in the illegal introduction of cars into Argentina.

The Foreign Ministry official communique, dated 30 May, said that the "alleged charges" filed by the Argentine authorities against Ambassador Escalona were denied by Escalona in a document presented to Foreign Minister Julio Linares.

Linares recently said that the reports submitted by Escalona were "insufficient," and hinted of the possibility of requesting more information on the case.

Linares said that any ambassador whose participation in illegal activities is confirmed will be removed from his post.

The Foreign Ministry communique said that the reason why Escalona Rios was summoned to Panama was to wait for the results of the investigation being conducted in Argentina and for "the pertinent decision."

In a recent statement, Linares said that it is possible that after the Escalona case is clarified, he will become "my enemy."

Linares added that "under no circumstances" will he justify the "improper use" of privileges enjoyed by Panamanian diplomats abroad.

Argentina

Army Support for National Objectives Stressed

PY3005034891 Buenos Aires TELAM in Spanish 1547 GMT 29 May 91

[Text] Corrientes, 29 May (TELAM)—Army General Martin Bonnet, the Army chief of staff, has stated that "the Argentine Army is going through the same difficult situation the country is experiencing with the determination of an institution that identifies itself with great national efforts and goals and by sharing the efforts and sacrifices of the community."

Bonnet also said: "The Argentine Army does not intend to set any guidelines. It rather subordinates itself to the legitimate decision of Argentine citizens and seeks a consensus that will help to clarify the concept of national defense and the role the military factor plays within it."

Bonnet was speaking at a ceremony, attended by President Carlos Menem, to commemorate another anniversary of the Argentine Army. Bonnet added: "The Army has been present in all circumstances to help in events that go beyond its specific duties, but which are in line with the spirit of solidarity that is harbored by each of its men."

He added: "This is why our soldiers build roads in the southern region, help to cope with the water problem, help to educate, offer their services in cases of natural disasters, and for 40 uninterrupted years, have been in the Antarctic."

Addressig his subordinates, Bonnet said: "I wish to remind you at this difficult time, of a precept in our command manual which no commander should ignore: 'No matter how many, varied or complex the responsibilities, they are reduced to two fundamental ones—the fulfillment of the mission and the well-being of the men.'"

He added: "We are involved in the arduous task of fully implementing this tenet, but this must be achieved within the framework of the law."

In this regard, he said: "Therefore, there is nothing that justifies the use of means or methods that are in conflict with military honor, because respect is not recovered through violence of by violating the true nature of institutionalism."

Regarding the situation within the Army, Bonnet said: "No Argentine ignores the difficulties or hardships we are enduring, but I urge all active personnel, retired personnel and civilian personnel to double their efforts to exhibit their common sense, creativity, virtue, and the perseverance of their values."

He added: "We aspire to make the Argentine Army into a force that may help other national institutions and implement actions that will help our country achieve the level it deserves."

Bonnet said: "This is why I resolutely commit myself to achieving a solution to those problems that affect us, and I am certain that with your understanding, the consensus of society, and the help of He, who guides all our deeds, we will succeed."

When reviewing the Army's history, Bonnet said: "Since 29 May 1810, a time of decision and hope, the cause of freedom and sovereignty became the banner of thousands of men who took up arms to establish and safeguard 'these provinces' as a true organized society; that is, as a nation."

Since its baptism of fire in Cotagaita all the way to the Malvinas, the Argentine Army has not deviated in the least from its commitment to safaguard the continuity of the national state, whatever the circumstances, he affirmed.

Later, Bonnet added: "In keeping with this body of norms we can then assert that forging the national unity, consolidating peace, providing for the common defense, and securing the benefits of freedom are today, as they were yesterday, permanent objectives to be guaranteed and preserved, as well as irreplaceable guides to new formulations."

After recalling the feats of Jose de San Martin, Sergeant Cabral, and the officers who fought in the Malvinas, Bonnet said: "The military heroes we revere today were not born in barracks or forts, but among the people. Our recollection today constitutes a proven guarantee of this unique integration," he emphasized.

Referring to the national defense, Bonnet stated: "Different scenarios will be open to a cool, but not indifferent analysis. It will then be incoherent and risky to ignore some imbalances, trusting to the effectiveness of political and economic strategy alone. To formulate an effective defense policy, a measure of internal and external harmony is therefore necessary."

Finally, Bonnet stressed: "In this understanding, and in the context of national defense considerations, roles and functions should be defined, without resorting to preestablished formulas or concepts, because such roles and functions can only be set in accordance with national policies and the scenario of the situation and interests to be protected."

Antidrug Service To Begin Operations Soon

PY0606212691 Buenos Aires BUENOS AIRES HERALD in English 6 Jun 91 p 13

[Text] (DYN-NA)—Drug Prevention Secretary Alberto Lestelle announced yesterday [5 June] that the Federal Narcotics Control Service (SEFECONAR)—an Argentine DEA of sorts—will be activated within the next 30 to 60 days. Meanwhile, Gerald Mobius, a top Interpol official stated that approximately one billion dollars are made annually in Argentina from drug trafficking "benefits."

During a Money Laundering Seminar, which took place on Monday and was organized by the Argentine Exchange Houses chamber, Mobius, who is the director of the Interpol group investigating funds from criminal activities specified that "the profits of drug sales and the laundering of money in Argentina hover around one billion dollars annually," although he said the figure "is not precise."

The Interpol official concluded saying that "the Argentine legal system practically invites money laundering. Up until last year, there was no law penalizing that crime. Where there's no legislation, there can be no investigation."

Battle for Control Noted

PY0406132691 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1846 GMT 1 Jun 91

[Text] Buenos Aires, 1 Jun (NA)—Eduardo Bauza, secretary general of the Presidency, and Alberto Lestelle, secretary for planning and coordination for drug abuse prevention and the antinarcotics struggle, are in disagreement concerning which secretariat will have jurisdiction over the special antinarcotics force known as the Argentine DEA.

According to an article published today by the morning newspaper PAGINA 12, these secretaries are waging "a silent battle over political control of the special force" in which "the power is not inconsiderable." It involves the handling of "100 members of the security forces who will be providing intelligence services independent of their respective commands, thousands of dollars provided by developed countries, and the ability to order undercover operations, including surveillance, telephone taps, raids, and monitoring of bank accounts."

PAGINA 12 adds that the disagreements stem from the fact that Lestelle wants the elite corps—created by a confidential decree signed by President Carlos Menem—to fall under his secretariat, as ordered by the executive branch decree. Bauza, however, is convinced that the group must be subordinate to the Justice Ministry, as is the case, for instance, in the United States.

According to PAGINA 12, Lestelle is supported in this power struggle by Vice President Eduardo Duhalde and obviously by the presidential decree, while Bauza "is supported by Deputy Jose Luis Manzano, Senate President Eduardo Menem, Justice Minister Leon Arslanian, and State Intelligence Secretariat Secretary Hugo Anzorregui."

Lestelle has thus far accepted an alternate proposal designed by Bauza, which states that "the elite group must include federal prosecutors subordinate to Arslanian (the justice minister)."

DEA Role Viewed

PY0406220291 Buenos Aires BUENOS AIRES HERALD in English 4 Jun 91 p 11

[From the "Argentina in Brief" column]

[Text] (DYN-NA)—Justice Minister Leon Arslanian said yesterday that the participation of the Drug Enforcement Agency (DEA) would not be an infringement of national sovereignty. The DEA would not work autonomously in the nation, Arslanian said, but would rather serve as an information centre. The ministry does not plan to give the agency police powers to stop the drug trade. The DEA's mission will be to find clandestine airstrips. The minister also admitted that he is working on creating a task force to fight the drug trade but it is still on the drawing-board.

Plan for Nuclear Dump in Chubut Province Drafted

PY0306171691 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1724 GMT 2 Jun 91

[Excerpt] Buenos Aires, 2 Jun (NA)—According to a Buenos Aires daily, in a few days high-ranking officials from the National Commission for Atomic Energy (CNEA) will deliver to President Carlos Menem and other government officials a draft proposal to build and operate "a storage facility for highly radioactive waste," also known as a nuclear dump, in Chubut Province.

The newspaper reported that "the feasibility study and the architectural design" are ready. The nuclear waste dump will be built in Gastre, in a mountain range 400 km west of Puerto Madryn.

The draft, prepared by top CNEA officials, states that it is necessary to build this facility in Chubut "to close the nuclear fuel cycle."

Scientifically speaking, the "nuclear waste dump," also known as "geological medium system engineering barrier-highly radioactive waste container" [sistema medio geologico-barrera de ingenieria-contenedor de residuos de alta actividad], is designed to isolate nuclear waste produced by the operation of nuclear power plants using radioactive fuel such as uranium.

The CNEA officials sponsoring the project, including Elias Palacios, CNEA manager for radiological and nuclear safety, have explained that the country is "already producing nuclear waste" for which "we must find lasting solutions."

The draft, which emphasizes the "feasibility" of the nuclear waste dump, may be submitted to President Carlos Menem, Vice President Eduardo Duhalde, Chamber of Deputies Chairman Alberto Pierri, and Chubut Province Governor Fernando Cosentino. [passage omitted]

Tierra del Fuego Given Provincial Status

PY0206230691 Buenos Aires BUENOS AIRES HERALD in English 2 Jun 91 p 4

[Text] Ushuaia—Tierra del Fuego yesterday took a further step towards becoming Argentina's 23d province, when the Constitution which confers provincial status on the former national territory was signed. Ex-president Raul Alfonsin assisted at the "emotional" ceremony, a local resident informed the Herald by telephone.

The signing of the Constitution, which among other things prohibits foreigners from running for governor of the province, means that current Governor Adrian Farina will be the last to be appointed from Buenos Aires.

The decision to change the status of Tierra del Fuego was taken in the Federal Capital and never put to the vote of the islands' residents. But a local constituent assembly was elected last summer to draw up the provincial constitution.

In the elections to the assembly, 11 of the 19 seats went to the Fueguino Popular Movement, thus reversing previous major-party dominance.

Deputy Comments on Chile's 'Lightning' Rocket

PY3105173491 Buenos Aires NOTICIAS ARGENTINAS in Spanish 0012 GMT 31 May 91

[Text] Buenos Aires, 30 May (NA)—The "Lightning" rocket developed by the Chilean Armed Forces and unveiled only 48 hours after the announcement of the Argentine decision to dismantle the Condor-2 project, is not a missile but an artillery rocket with a range of 40 km. It can be used to provide "zone saturation capability, and Argentina has nothing comparable to this rocket."

This report was released today by the Center of Studies for the New Majority [Centro de Estudios para la Nueva Mayoria—CENM]. The report also notes that the rocket "is a tactical weapon system designed for land battle" because it does not have a "self-guidance system."

Horacio Jaunarena, former defense minister under the Radical Civic Union [UCR] government, has stated that "it makes no sense to give up" Argentina's Condor-2 missile project "when Chile, Brazil, and other countries are still increasing their work on this type of project."

He added that the dismantling of the Condor-2 project means that the country "has given up the idea of developing autonomous technology and has decided to be dependent in that area. This will prevent Argentina from achieving its own satellite delivery systems and will subordinate it to the dictates of other countries."

UCR Deputy Conrado Storani, a member of the Chamber of Deputies Defense Committee, has stated that the Chilean initiative "upsets the balance of military power between the two countries."

Storani also objected to the deactivation of the Condor-2 missile, saying that it means that the "Argentine Government has clearly given in to U.S. pressure." He added that the dismantling of the Argentine missile is indicative of "the degree of submission we have reached in our bilateral relations." He also questioned the fact that the Chilean project was developed "without the U.S. pressure directed against the Condor-2 project."

Storani added that the Chilean rocket "should worry" Argentina, "especially now that the Condor-2 project has been dismantled."

He said the Condor-2 and the Lightning rocket "had been discussed" among Defense Minister Erman Gonzalez and "several congressmen" but that during the meeting the defense minister "did not respond to the concerns expressed to him, limiting himself to promising to meet with the Defense Committee next week. [no closing quotation mark as received]

Storani also deplored the fact that the dismantling of the Condor-2 included "the elimination of the project plans." He added that German, French, and Italian enterprises participated in the project.

Commenting on the fact that in 1989 a U.S. Congress defense committee [not further identified] termed the Condor-2 "a dangerous and destabilizing factor" for Latin America, he criticized the fact that Chile has not received "any kind of threat of economic sanctions" from the United States due to its development of the Lightning rocket.

The CENM has reported that the Lightning rocket "is not a missile nor a strategic weapon, but a free rocket or tactical weapon system to be used in land battle," because "it does not have a self-guidance system."

"It cannot be guided to hit a given target. It is a weapon that is aimed in the general direction of an area. Usually several rockets are fired to ensure that the target is hit; the more shots fired, the greater the possibility of saturating the targeted area," the report notes.

Nevertheless, the report warns that the rocket could have "a substantial land coverage capability" if it is equipped with cluster bombs similar to those used by the United States in the war against Iraq.

The report adds that a missile launcher usually carries between one and eight missiles, while free rocket launcher systems have at least 12 and, in some cases, up to 48 launch tubes.

The report also reveals that Argentina "has manufactured a small number of 105-mm 'Pampero' and 127-mm 'SAPBA' [self-propelled ballistic rocket system] 'self-propelled multiple rocket launcher systems' (SLAM), which are mounted on trucks."

It adds that there is still a prototype of a TAM [Argentine Medium Tank] chassis carrying a multiple rocket launcher system with a range of 40 km at the TAMSE

[Medium Argentine Tank Factory, State Enterprise] military factory in the Boulogne area of Buenos Aires.

The report also notes that the only Latin American rocket launcher system that has been used in combat is the Argentine-made "Yarara," with 42 tubes and a maximum range of 11 km. The Argentine rocket launchers were used in southern Nicaragua in 1979.

Ambassador to UK Views Presence in Falklands

PY0606144291 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1428 GMT 5 Jun 91

[Text] Buenos Aires, 5 Jun (NA)—Mario Campora, the Argentine ambassador to the United Kingdom, has emphasized that the strengthening of the Argentine presence in the South Atlantic, particularly in the Malvinas Islands, partly depends on improving the local economic situation.

Campora also requested the prompt implementation of a law that, to use a simile, will be "like fencing off the sea." He described as "progress" the fact that Argentina and the United Kingdom recognize "a reserve clause on our sovereign rights" on the Malvinas Islands.

Campora considers it "not conducive" to believe that Argentina will fare better if a Labour Government is installed in London. He said: "Argentina will gain importance in the area if it achieves growth and improves its economic situation."

Campora added: "Rights are not renounced, they are suspended while they cannot be exercised," adding: "This problem is beyond British labourites or conservatives." His remarks are published in today's issue of AMBITO FINANCIERO.

Campora pointed out that he does not believe that a multinational enterprise could possibly exploit gas or petroleum in the Malvinas Islands "while there is a legal dispute between the two nations." He noted: "The risk is too great."

Campora said that the discussion on the status [preceding word in English] of the Kelpers [Malvinas inhabitants] is "a British internal problem." He stressed: "Only Argentine development in Patagonia and the South Atlantic will strengthen our position."

Campora said: "We lost the Malvinas because we lacked presence in the area during the past century and very little has changed since then."

Concerning the possibility of establishing a "sort of Malvinas state," Campora recalled that President Carlos Menem "has said that the Malvinas are Argentine and Foreign Minister Guido di Tella has pledged that the Argentine flag will flutter over them." He explained: "The question is the time limit which, in my opinion, depends on our southern projection."

Campora admitted that there has been "no progress" in relations between the Kelpers and Argentina.

Campora further regretted the non-existence of a fishing law, as only through such a law "could we effectively exercise our rights over our 200-mile limit and operate under the Argentine flag in partnership with foreign interests."

Campora said that it is necessary to have a fishing law first, "and then negotiate." He noted: "I want to be clear: The implementation of a fishing law will be like fencing off the sea."

In conclusion, Campora said that the developed world "hopes Argentina will fare well." He said: "The developed world is not charitable, however. It will not give foreign currency to Argentina."

Company Created To Market Bolivian Natural Gas

PY0506011391 Buenos Aires CLARIN in Spanish 31 May 91 p 19

[Text] Argentina and Bolivia have set the foundation for creating an enterprise to market Bolivian natural gas. The enterprise seeks to continue the bilateral relations for the marketing of natural gas from Bolivia, because the contract signed by Argentina during the last military regime expires in April 1992.

The Argentine Government has officially said that it will not renew the contract. The act signed during the second meeting of representatives of the two governments in Santa Cruz de la Sierra says: "The volumes and prices of the future purchase of natural gas will be negotiated through the binational enterprise."

The imported Bolivian natural gas meets 13 percent of Argentine consumption. Its price has been renegotiated several times but it is still higher than international prices. According to energy experts, the difference between international prices and the prices paid by Argentina to Bolivia represents an "extra payment" of $200 million per year.

The company will be a mixed binational enterprise. Bolivia will be represented by the Bolivian Government Oil Deposits and Argentina by private companies. The Argentine companies interested in the mixed enterprise are Perez Companc and Pluspetrol. Perez Companc operates two oil wells in Bolivia and Pluspetrol has been given several areas for exploitation in partnership with Petropec. These two companies exploit 10 percent of all the natural gas extracted in Bolivia.

The officials who met in Santa Cruz de la Sierra have promised not to enforce "restrictions on the exports and imports of natural gas." There will be free access to the gas pipelines based on a toll that will be established in accordance with the regulations for this sector.

The binational enterprise "will negotiate the purchase of natural gas and will select an independent company to

construct and finance the new gas pipelines that will be constructed in accordance with the laws in each country. The binational enterprise will be free to sell natural gas to private and state Argentine buyers because next year the local natural gas market will be deregulated.

The new focus on sales of natural gas will also affect the plans to privatize YPF [Government Oil Deposits]. The northwest basin, which is one of the areas for sale, is rich in natural gas. Some of the private companies interested in participating in the binational enterprise, which will begin next year, are already operating in that area.

Bolivia

Congress Disqualifies Chilean Trade Negotiation

PY0606164291 Madrid EFE in Spanish 2335 GMT 5 Jun 91

[Text] La Paz, 5 Jun (EFE)—It was reported here today that the Bolivian Congress yesterday held a secret session, during which it rejected the idea of any agreement with Chile over reestablishing bilateral trade until the Bolivian sea outlet claim is discussed.

Bolivia and Chile broke off diplomatic relations in 1978 following unsuccessful efforts to settle a border conflict that dates back to the 1879 war when Bolivia lost its Pacific coast.

According to official sources, the Bolivian Congress yesterday discussed an urgent note from Foreign Minister Carlos Iturralde, who is attending the OAS General Assembly in Chile.

In his note, Iturralde charges Deputy Juan Pereira Fiorillo, chairman of the Chamber of Deputies Foreign Relations Committee, with seeking an agreement with his Chilean counterpart to restore trade relations between the two countries without first discussing the Bolivian claim for an outlet to the Pacific.

The sources added that the Bolivian Congress empowered Chamber of Deputies President Fernando Kieffer to disqualify, in the name of the Bolivian Congress, any negotiation that may be conducted by Pereira, who is attending the OAS assembly in Santiago as an observer.

Bolivian Foreign Ministry sources told EFE that Pereira's negotiations in Santiago have "deeply upset" Kieffer and that the possibility of stripping Pereira of his congressional immunity and bringing him to trial is being considered.

The Bolivian Government's official position is to promote trade and energy relations with Chile without overlooking the "central problem" of its relations with Chile, namely the demand for a sea outlet.

Censure Denied

PY0706024891 Madrid EFE in Spanish 1843 GMT 6 Jun 91

[Excerpts] La Paz, 6 Jun (EFE)—The Bolivian Chamber of Deputies has denied that it has condemned the conduct of a legislator who, according to media reports, wanted to sign an agreement with Chile to promote trade relations, despite Bolivia's 100-year-old demand for an outlet to the sea.

The legislator involved is Juan Pereira Fiorillo, chairman of the Chamber of Deputies International Affairs and Worship Committee, who is attending the OAS General Assembly being held this week in Santiago, Chile.

After a secret congressional session, Chamber of Deputies President Fernando Kieffer released a communique on 5 June describing the disclosure to the media as a "regrettable event." Kieffer protests in the communique that congressional secrecy had been violated and states that the information passed to the media "is untrue."

The communique adds: "In no way was Pereira Fiorillo's conduct questioned, nor was any doubt cast on his patriotism or dedication to serving the country." [passage omitted]

The communique released by Kieffer does not explain the reason for the congressional meeting. It simply explains that its purpose was "to clear up a consultation from the delegation of deputies accompanying the foreign minister at the OAS assembly."

Government Postpones President Menem's Visit

PY0506154091 La Paz Radio Fides Network in Spanish 1100 GMT 5 Jun 91

[Text] According to the Argentine Embassy in La Paz, Argentine President Carlos Saul Menem's visit to Bolivia scheduled for 18 and 19 June has been postponed for two months by the request of the Bolivian Government.

The visit on 18 and 19 June was announced about a month ago by the then Argentine Ambassador Eduardo Iglesias, who has already concluded his mission. It is believed that this situation was created by the difficulties in renewing the contract for selling Bolivian natural gas to Argentina.

Presidential Minister Gustavo Fernandez said yesterday that the new date two months hence is tentative and that the change has nothing to do with the negotiations for selling Bolivian natural gas to Argentina.

But the Buenos Aires daily CLARIN reported last week that the Argentine Government is not willing to renew the contract. Therefore, there is uncertainty in the Bolivian Government over this situation.

Let us recall that, in dollar terms, Bolivian exports of natural gas to Argentina will amount to some 28 percent of the all the Bolivian exports.

Minister on Possible Sale of Gas to Brazil

PY0506002191 Madrid EFE in Spanish 2233 GMT 1 Jun 91

[Excerpt] La Paz, 1 Jun (EFE)—Bolivia has begun to see encouraging signs that it might achieve one of its principle economic aspirations: to supply gas to the Brazilian city of Sao Paulo, the second most populated Latin American city.

Angel Zannier, the Bolivian energy and hydrocarbons minister who visited Brazil this week, said on 31 May that Sao Paulo officials have decided to improve the infrastructure and thus facilitate an increase in the consumption of natural gas in the city.

This report has gained importance because the Bolivian Government has been trying for several months to convince Brazilian officials to supply Sao Paulo with natural gas through a pipeline, which has not yet been constructed. [passage omitted]

Joint Action With Peru in Border Control Noted

PY0506190491 La Paz PRESENCIA in Spanish 28 May 91 p 7

[Text] Bolivia and Peru have concentrated their intelligence efforts to cordon off the Shining Path terrorists who are conducting actions in the border area from Antaquilla to Ulla Ulla. Jorge Moreira, the commander in chief of the Armed Forces, has revealed that the joint action will not only include an exchange of information, but also control operations. "There have still been no clashes or contacts with guerrillas."

Information received from Lima, Peru, indicates that there was a definitive action on the border with Bolivia, where some 100 Shining Path guerrillas have presumably been corralled by the Peruvian Army.

Moreira indicated that control operations are being carried out from the Antaquilla, San Fermin, and Ulla Ulla areas to Pelechuco. "The information we have indicates that several Peruvian citizens have entered our territory; moreover, they are under control and are being investigated."

"They may just be businessmen," he added, when he stressed that the reports still do not say what their activities are.

Through a Migration Committee, the Interior Ministry has started to investigate the flow of people from Peru, especially in the Ulla Ulla area.

He also indicated that poachers enter the country to seek vicuna. "In this case, the military units in that sector have been instructed to establish strict control over the movements of those individuals, who, in addition, are suspect," Moreira added.

The military chief termed the training of the Manchego Battalion "satisfactory," and he indicated that the special activities are being carried out as the U.S. program advances.

He reiterated the defense minister's remarks that the sending of material and equipment for the plan to militarize [as published] the fight against drug trafficking will conclude in October 1991.

Brazil

Collor To Invite Gorbachev to Rio Conference

PY0606172891 Rio de Janeiro Rede Globo Television in Portuguese 1600 GMT 6 Jun 91

[Excerpts] President Fernando Collor will invite USSR President Mikhail Gorbachev to attend the World Conference on the Environment and Development, which will be held in Rio de Janeiro in 1992. He will also ask him to support the Brazilian request to become a member of the UN Security Council. The two presidents will meet in Stockholm, Sweden. [passage omitted]

President Collor commented on his planned meeting with Gorbachev, saying that he will ask Gorbachev to support the Brazilian proposal for the participation in the UN Security Council of countries that have geopolitical importance in their regions, such as Brazil and India.

[Begin Collor recording] We even accept being unable to veto proposals in a first round. We believe that our participation in the council will bring new life to the UN discussions. We believe that the developing countries that have larger populations are ultimately the ones most affected by the decisions made by the UN Security Council. [end recording]

Strategic Affairs Leoni Secretary Interviewed

PY0506184991 Rio de Janeiro O GLOBO in Portuguese 3 Jun 91 p 3

[Interview with Strategic Affairs Secretary Pedro Paulo Leoni by O GLOBO reporter Luis Erlanger in Brasilia; date not given]

[Text] [Erlanger] First, I want to make it clear that I am recording everything....

[Leoni] I know, go ahead.

[Erlanger] The SNI [National Intelligence Service] was a mysterious espionage organization that was, strangely enough, more transparent than the SAE [Strategic Affairs Secretariat]. Everybody knew what the SNI did, but what does the SAE do?

[Leoni] Above everything, the SAE is a legal structure that emerged from a administrative reform bill and it was constituted by law. It is therefore legitimate because it was approved by the representatives of Brazilian society in Congress. Therefore, all the activities of the SAE are defined in a law. Nothing is hidden. Its activities are all formal and it does not work underground. The SAE is transparent.

[Erlanger] The first impression is that SEA represents the adoption, by the Collor Government, of the proposal to change the concept of national security as sponsored by the Superior War College (ESG). Concern over ideology and subversion is out, and poverty, backwardness, and underdevelopment are now seen to be the real threat to state stability. Is that so?

[Leoni] Yes. In fact the SAE advises the president, seeking to promote the development of Brazil, looking after its future.

[Erlanger] Then it is the very same proposal as that made by the ESG.

[Leoni] Sincerely, I have not seen that ESG document.

[Erlanger] Would you like a copy?

[Leoni] Yes. I would like to read it. But let me tell you that the SAE is interesting because it has its own infrastructure. I believe that the Macro Strategy Department is the SAE's main tool, what I call its nucleus.

[Erlanger] Does that mean you make decisions regarding issues like nuclear energy, agrarian reform, demographic control. How can you possibly handle such diverse and technical subjects?

[Leoni] President Collor has defined the government policies for each sector. We try to interpret the facts within the framework of the long-term policy. It is a matter of accumulating daily experience within a long-term framework from the strategic point of view. The SAE is a new organization which is in the process of being set up. I have said on several occasions that my job is to come up with a finished product. The SAE is not a planning secretariat. So, how do we do our job? Our methodology is totally integrated. For example, the energy issue is one of the subjects that we discussed with various government sectors. Energy is a long-term strategic issue. My organization is small but agile, and it interacts with the various government sectors. Therefore, it is a matter of coordinating daily actions within the long-term plan. That was the case of the working group that handled industrial competitiveness and ecological balance.

[Erlanger] All countries, even the democratic ones, have an official intelligence organization that handles spying activities. Would it not be natural for the SAE to handle that activity?

[Leoni] Absolutely not.

[Erlanger] But if almost all countries have an intelligence service, on the grounds that it is necessary to protect the state, why is it not necessary here?

[Leoni] Brazil has one. It has an intelligence department within the SAE, and its duty is to protect the state. I can say emphatically that it operates strictly within the absolutely essential and constitutional rights of society and of the citizen. I can assure Brazilian society that the state intelligence department by no means violates the citizens' rights. For example: Although Brazil has disastrous social indicators it does have very important technological developments, some of which can compete with the most developed nations in the world, in the fields of science and technology. In this example, the intelligence department's duty is to preserve technology. It is also the intelligence department's duty to watch over that technology, to keep it within Brazilian borders.

[Erlanger] But disregarding the ideological issue on behalf of national sovereignty, is it not important for the SAE to know what politicians or businessmen are saying over the phone?

[Leoni] Absolutely not. That is history.

[Erlanger] Do you happily use the telephone, with no fear of tapping?

[Leoni] I have heard a lot of talk about that telephone tapping story. You can take a look in my office. There is nothing abnormal and my telephones are normal, Brazilian phones, without a scrambler [preceding word in English].

[Erlanger] Is that because you feel safe or because you do not say anything important over the phone?

[Leoni] I think the communications and intelligence issues are serious matters. For instance: the calls made by the president of the Republic are a matter of concern for the Brazilian Government and must be protected. That is true anywhere in the world. The same goes for the calls made by ministers, etc. I speak on the phone with no fear.

[Erlanger] Even if there is no official tapping, is there a risk of tapping by people outside the government?

[Leoni] I would not say that society can rest assured that it will not happen. I can assure the people, however, that the government, whether through its ministers or on its own initiative, will never engage in any activity of that nature.

[Erlanger] Do you think some "tattletales" may go public, like in a soap opera, or some remnants of the so-called information community, unhappy with the demilitarization of the system, might use the old structure to persecute a Communist invasion?

[Leoni] I do not believe in the idea of "tattletales." I would like to calm society on that issue.

[Erlanger] But do you still face resistance from members of the so-called information community?

[Leoni] No. I think the information community became naturally exhausted. I think the information community did not make sense in the way it was conceived. In fact, it was like a terminal patient. I did not propose a transition period because SAE's doctrine, policies, concept, methods, and practices are totally different from the old SNI. The SNI has been abolished.

[Erlanger] What was done with SNI's feared files?

[Leoni] I am not aware of the existence of such files.

[Erlanger] How is that possible? SNI agents have admitted there were 400,000 files. If the files do not exist how do you provide information when a citizen asks for a habeas data, the constitutional document that shows what information is registered?

[Leoni] Physical files do not exist. We did not find anything. When we receive a request, we try to gather any information that might be of interest. Our impression is that a reform of the organization was already underway during the Sarney administration. Now, under the Collor administration, the SAE does not have any concerns and is not involved in any actions on any individual or organization. The SAE is not investigating anything that might require files. No, the SAE today conducts intelligence work, but it does not keep any files with information on people.

[Erlanger] Can the SAE, as an intelligence organization, conduct surveys, produce political forecasts, or identify problems like the dissatisfaction of the military over low salaries?

[Leoni] No. Absolutely not.

[Erlanger] In the past the SNI looked after the behavior of government officials. Do you have that responsibility as well?

[Leoni] No.

[Erlanger] The SNI was also responsible for investigating cases of corruption in government. The SNI could even veto instructions from officials whose files were not clean. Do you investigate reports of corruption in government institutions?

[Leoni] No. That is a police problem and then a court problem.

[Erlanger] The SAE has disbanded state security divisions, for example the DSI [Security and Intelligence Division]—a vanguard force of the SNI at the ministries. Yet, in contrast, it is said that you are responsible for the nomination of people in key posts in almost every federal organization. Are those people your tentacles?

[Leoni] That is pure fiction and I believe it is the root of the mystery about my performance at the SAE. My function here is that of an adviser. I am not a minister who has to speak about achievements and to explain things to society. That is one part of the mystery of why I do not talk to the press. I am the president's direct adviser. Any comment that I could possibly make cannot be dissociated from the position of the Planalto Palace, and that is reflected in my duty. My duty is absolutely legal, but discreet. But that is so anywhere in the world, and for that reason I am discreet.

[Erlanger] That does not prevent you, also discreetly, from becoming either a desired ally or a feared adversary in disputes over key posts.

[Leoni] The answer to that is no. It is the president of the Republic who designates the people who suit his ministers, in accordance with his needs, and who fulfill the requirements of each organization.

[Erlanger] Does the SAE have secret agents at the embassies as in the past?

[Leoni] No. Various organizations maintain an international exchange of information, like the Foreign Ministry and the Federal Police. The SAE exchanges information with its counterparts in countries with which Brazil maintains diplomatic relations. Likewise, our intelligence department has relations with different intelligence organizations.

[Erlanger] Are you involved in the negotiations over the new military agreement between Brazil and the United States?

[Leoni] I even joked about that when reports appeared in the press saying that I participated in the discussions about that matter. I did not participate. It is being discussed directly between the military ministers and the president of the Republic. The SAE is not objectively concerned with that issue. Moreover, I am not aware of any talks in any government organization about the military agreement with the United States.

[Erlanger] Although it is a military issue, the SAE is reportedly studying ways to reduce the size of the Armed Forces.

[Leoni] I have never even thought about that subject. If I never ever thought about it, how could I have ever commented on it, let alone studied it.

[Erlanger] The nuclear issue was previously handled by the military. It has now been assigned to the SAE, which drafted the proposal for a new nuclear program that was included in a document published by GLOBO. Has that proposal been halted?

[Leoni] My first concern upon taking office was to familiarize myself with the nuclear program, which, until then, was being handled with great secrecy. The first step was to inform Brazilian society about the program. The document is still being perfected. It is a technical document. It is not a political commitment. Nuclear experts were not given time limits in which to come up with the best program. When the document was placed within the

context of the government program it became obvious that it could not be implemented. Nevertheless, we have designed a domestic safeguard system, and that is a great achievement. There is absolute transparency. All our uranium, all our nuclear material, is under control. We are involved, with Argentina, in a bilateral program to exchange information and our findings. That is another important achievement. Today, nuclear energy has become an issue, it has ceased to be a taboo. We do not want the bomb. It is unconstitutional to manufacture the bomb. The president is against the bomb. I must warn Brazilian society, however, that we will not relinquish our scientific and technological know-how. It is our right. We will not forsake our technological development and self- sufficiency, which will always be used for peaceful purposes. It is out of the question that we will ever give that up.

Bolivian Ministers Visit To Discuss Pipeline

PY0406235791 Madrid EFE in Spanish 0006 GMT 29 May 91

[Text] Brasilia, 28 May (EFE)—Diplomatic sources have reported that Carlos Iturralde, the Bolivian foreign affairs and worship minister, and Angel Zannier, the Bolivian energy and hydrocarbons minister, today met in Brasilia with high-ranking Brazilian Government officials. Iturralde and Zannier met with Brazilian Foreign Minister Francisco Rezek and Infrastructure Minister Joao Santana. During the meeting they discussed bilateral issues, specifically energy.

The two Bolivian ministers arrived today in Brasilia on an official visit. They will return to La Paz on 30 May.

According to diplomatic sources, the four ministers specifically addressed the supply of Bolivian natural gas to Brazil through a gas pipeline to be constructed between the Bolivian city of Santa Cruz and Puerto Suarez, in the Brazilian state of Mato Grosso do Sul. The gas pipeline may later be extended to Rio de Janeiro and Sao Paulo, the two main Brazilian cities, where natural-gas fueled buses are being tested.

During an official visit to Brasilia in August 1990, Bolivian President Jaime Paz Zamora discussed the construction of the Santa Cruz-Puerto Suarez gas pipeline with his Brazilian counterpart Fernando Collor de Mello. The estimated cost of the project is $620 million.

Communist Party To Hold 9th Congress in Rio

PY3105135791 Rio de Janeiro O GLOBO in Portuguese 30 May 91 p 5

[Text] The theater hall of the UERJ [Rio de Janeiro State University] in Rio de Janeiro will be the venue of the 9th Congress of the PCB [Brazilian Communist Party] between 30 May and 2 June. The congress will consider modifying the party statute to account for the new international situation, and should choose the national executive board members. During the 4-day congress, 760 delegates from all over the country and 15 special guests from other parties—among them Ana Maria Rattes, a former PSDB [Brazilian Social Democratic Party] federal deputy for Rio de Janeiro—will have the right to speak and cast their votes.

Rio de Janeiro Governor Leonel Brizola, Rio de Janeiro Mayor Marcello Alencar, Manaus Mayor Arthur Virgilio (PSDB), former Mayor Saturnino Braga, and PT [Workers Party] Deputy for Sao Paulo Jose Genoino are among 90 guests from other parties.

During their congress, the Communists will draw up four documents: a political statement on the national and international situation, a socioeconomic program for Brazil, a new party statute, and an evaluation of the work done by the party executive board. The Marxist-Leninist sectors, which oppose the reforms suggested by Pernambuco Federal Deputy Roberto Freire, and the so-called renewers will contend for the executive board positions. Whatever the outcome, the two factions will continue to be represented on the board, whose members will be appointed proportionate to the number of votes.

Liberals Win Control

PY0506182691 Rio de Janeiro O GLOBO in Portuguese 3 Jun 91 p 4

[Report by Valeria Blanc]

[Text] For the PCB [Brazilian Communist Party] the dictatorship of the proletariat is a thing of the past. Yesterday, 54 percent of 763 delegates to the Ninth National Congress of the party jumped the wall dividing centralism and democratic liberalism, and elected the champions of democratic liberalism as a majority force in the national directorate. Thirty-eight members of that wing were elected full members of the 71-member the Central Committee. Deputy Roberto Freire, leader of this wing, is now national president of the party.

But the orthodox Marxist-Leninist wing, led by lawyer Juliano Siqueira and city councilman Francisco Milani, also consider themselves winners. Before the congress, they made up 10 percent of the full members, and they came out with 36.5 percent or 26 members of the Central Committee. The third slate made by Communists from the southern region, who do not have much power of persuasion, elected 10.5 percent or seven people.

Expressing satisfaction, Freire said: "The party as a whole demonstrated its ability to renew itself, although that does not mean uniformity of ideas."

Ideological infighting seems eternal in the PCB. Even after the win of democratic liberalism as a new party doctrine, the orthodox Marxist-Leninists did not lessen their belligerant tone before votes were taken for the new national directorate. Orthodox members—like architect Oscar Niemeyer—still tried to get more of their sympathizers elected to the Central Committee.

Three slates vied for the votes of the Communist delegates: slate 1 led by Roberto Freire, slate 2 of the Niemeyer followers, slate 3 headed by Communists from the country's southern region. The confrontation was restricted to the liberals of slate 1 and the orthodox of slate 2.

Before the results were known, Roberto Freire believed his group would win, because the previous day his proposal had received 336 votes out of a total of 763 delegates (56 percent), against 219 votes for the orthodox (36.5 percent), and 45 votes (7.5 percent) for the Communists from the southern region.

Marxism-Leninism Abandoned

PY0506184691 Madrid EFE in Spanish 1455 GMT 3 Jun 91

[Text] Rio de Janeiro, 3 Jun (EFE)—During its Ninth Congress, the Brazilian Communist Party (PCB) decided to reduce Marxism-Leninism to just a "historic reference" for its ideology and to achieve socialism by democratic means alone. So said Jose Antonio Segatto, a spokesman for the reformists.

Segatto explained: "The PCB no longer has an official doctrine. In practice, Marxism-Leninism, a downgrading of the beliefs of Marx, Engels, and Lenin that was implemented by Stalin, used to be the official doctrine."

The reformist trend led by Deputy Roberto Freire, who was elected new PCB president during the congress that ended 2 June, obtained 54 percent of the Central Committee posts.

Henceforth, the PCB no longer wants to be "the vanguard of the working class." The party, which intends to achieve power through democratic elections alone, rejects economic centralism and admits private property.

Freire emphasized: "Market economy mechanisms, regulated by the society, can exist now. The nationalization of capital goods cannot be total, but the state will keep its role."

The new PCB president also managed to have the congress accept the idea of "democratic radicalism." According to this idea, it is no longer necessary to be a Marxist in order to be a Communist, but it is enough to claim to be a socialist. The reformists said that the Eastern European crisis has invalidated the argument about the predominance of the communist parties and that, therefore, "in the new socialism, democracy cannot, in any way, be suppressed or underestimated." Freire said: "The great achievement is that democracy was radically enforced, and that means taking turns at power, pluralism, and individual rights."

The orthodox wing, headed by architect Oscar Niemeyer, who drew the plans for Brasilia, succeeded in maintaining the party name, the red flag with the hammer and the sickle, and the party anthem.

The orthodox wing maintains its staunch support for Marxism-Leninism and, despite its defeat in the congress, the number of the orthodox representatives in the Central Committee has increased. "We are already thinking about the next congress," has said Julio Siqueira, an orthodox leader.

Founded 69 years ago, the PCB has always been pro-Soviet, and in the mid-1960's it split and the Communist Party of Brazil (PCDB) was founded. The PCDB initially championed Albania's socialist model and then China's model.

Chile

FPMR Member on Joining 'Democratic Transition'

PY0506235991 Santiago Radio Chilean Network in Spanish 1700 GMT 5 Jun 91

[Text] The Manuel Rodriguez Patriotic Front [FPMR] today stated that it will use every available means to join the current democratic transition.

This statement was made by FPMR deputy general coordinator (Leandro Torquio) following a meeting this morning with Socialist Party leaders headed by Jorge Arrate.

(Torquio) explained that this is the first of a series of meetings that they will hold with several political movements and parties.

[Begin (Torquio) recording, in progress]... mission of the movement is to be legalized. We are working toward that. We are trying to attain that goal. We will use every available means, we will talk to everyone, we will mobilize, and we will press charges to change our situation. This is our political decision. Now, if we are forced, if we are stopped [changes thought]... well, that would be different and we will have nothing to do with it. [end recording]

The national FPMR leaders said that they do not have to explain their decision to the rightist sectors because such sectors have no moral authority to demand an explanation. The FPMR leaders expressed their concern over the situation of the FPMR members arrested in Argentina for their alleged involvement in the murder of Senator Jaime Guzman.

(Torquio) said that no FPMR member has been involved in attacks that took place after 11 March 1990.

[Begin (Torquio) recording] The situation has unfortunately been deceitfully manipulated because, as I have said, there is an attempt to smear our comrades who fought, who gave everything they had for the sake of [words indistinct]. Like it or not, we have contributed to the current situation in Chile. [end recording]

(Torquio) said that he does not agree with the actions of the FPMR autonomous faction but that he respects its

decisions. He added that the FPMR has always supported democracy, first struggling as an armed movement and now in a peaceful way.

Defense Minister Denies Arms Race Charges

PY0106035491 Santiago Television Nacional de Chile Network in Spanish 0000 GMT 1 Jun 91

[Interview with Defense Minister Patricio Rojas by unidentified reporter; place and date not given—recorded]

[Text] Defense Minister Patricio Rojas reiterated today that Chile is not involved in an arms race. He said that the situation of military industries has no secrets and that their activities are only oriented toward defense.

[Reporter] Rojas said that FAMAE [Army Ordnance] of the Army, ENAER [National Aeronautical Enterprise] of the Air Force, and ASMAR [Naval Docks and Yards] of the Navy have been developing projects which represent a technological advance for the country. He added that these projects are only for defensive means and within budget possibilities. He also referred to the Lightning Rocket which FAMAE is producing with a British company.

[Rojas] The FAMAE project has no other purpose than to make technological progress in its productive capacity and of course the possibility of exports which we seek from all the Chilean military industries. As I said, however, we are not seeking to build up our arsenal or to engage in an arms race. It is definitely only aimed at defense which is the nature of our actions.

[Reporter] Regarding the statements made in Argentina that this project represents overwhelming Chilean superiority in artillery, Rojas said that he will adopt the same attitude as the Argentine defense minister; that is, not to comment on the situation of the Armed Forces of the neighboring country. Rojas was also asked about the Chilean Army communique saying that secret matters that should only be known by the president were discussed during General Pinochet's tour.

[Rojas] There is no secret matter or project in the Armed Forces which could escape from the full knowledge, management, and opinion of the defense minister or not be subject to the president's decision if necessary. I believe that any statement to the contrary is melodramatic and does not go along with the real situation of a country like ours.

Uruguayan Army Commander Meets Defense Minister

PY0606131591 Santiago Radio Nacional de Chile Network in Spanish 1100 GMT 6 Jun 91

[Text] Lieutenant General Guillermo de Nava, Uruguyan commander in chief, has said that judging by the armies that he knows, there is no arms race on the continent. He added that his own Army does not have anything with which to engage in an arms race.

The Uruguayan commander commented on the issue after making a formal visit to Defense Minister Patricio Rojas. He then met with General Augusto Pinochet, Chilean Army commander in chief.

Asked whether he believes that there is an arms race in the Southern Cone, he said he would rather answer that question while he is in his own country, and not while he is in Chile.

Uruguayan Embassy Occupied; Officials Comment

PY0706022891 Santiago Television Nacional de Chile Network in Spanish 0000 GMT 7 Jun 91

[Text] This morning 12 persons carrying placards entered the grounds of the Uruguayan Embassy in Santiago to publicly demand the release of political prisoners. They planned to remain in the embassy for 24 hours.

[Begin Chilean Interior Minister Enrique Krauss recording] The Uruguayan ambassador, Mr. Jose Maria Alzamora, asked us to remove them since he thought—I am reading this word for word—it was a violation of the diplomatic immunity of the Uruguayan Embassy.

Because of these events, the interior under secretary spoke with the Carabineros and gave them instructions to demand.... [changes thought] This accredited and friendly government was asking for protection for its diplomatic immunity. The 12 persons involved were removed, and they are now under arrest at the 19th Carabineros Precinct. [end recording]

Krauss stressed that according to the information available to the Interior Ministry, none of the people involved in the occupation belong to the Group of Relatives of Political Prisoners and Detained-Missing Persons.

The Uruguayan foreign minister [Hector Gros Espiell], who is in Santiago for the OAS meeting, also commented on the incident and stressed that the occupation of the embassy and subsequent removal were carried out peacefully and without incidents.

[Begin recording] [Reporter] How would you describe this action?

[Gros Espiell] Well, I see it as an expression of protest, and Uruguay will not make an issue out of it. I do not have enough information to assess the action within the freedom and democracy that Chile is experiencing. [end recording]

Feliu on Visit to Cuba, Trade Possibilities

PY3105232491 Santiago Radio Chilena Network in Spanish 2700 GMT 31 May 91

[Excerpts] Manuel Feliu, former president of the Production and Commerce Confederation, has stated that there are real chances for doing business with Cuba, but that these possibilities are subject to the solution of a series of problems.

Feliu made this statement at government house after a meeting with Interior Minister Enrique Krauss. [recorded passage omitted]

Feliu said that during his recent visit to Cuba he had the honor of being received by members of the Cuban Government and by Fidel Castro with whom he chatted for some seven hours.

Once again Feliu did not dismiss the possibility of running for president, but he asserted that this is not the moment to propose his candidacy. He said, however, that if the necessary conditions exist he will run for president.

Diplomatic Ties To Be Established With Iran

PY0706022491 Santiago HOY in Spanish 20-26 May 91 p 13

[Text] A protocol of agreement signed by President Patricio Aylwin during his tour of European countries will reportedly allow the Chilean Government to establish diplomatic relations with Iran in the next few months.

Colombia

Government, Rebels Agree on Agenda for Talks

PA0606183391 Bogota Inravision Television Cadena 1 in Spanish 0000 GMT 6 Jun 91

[Text] A few minutes ago, an initial agreement was reached between the government and the National Guerrilla Coordinating Board [CNG] regarding the 11-point agenda for discussions. The points proposed by the guerrillas include demilitarization, economic policy, national sovereignty, the effects of the armed conflict on the civilian population, and the involvement of the Constituent Assembly and the Congress in the peace process. The government proposed as topics a cease-fire, the return to civilian life, political opportunities, and the demobilization of the guerrillas. The talks will begin on 6 June. Here is a report by Gloria Congote in Caracas.

[Begin recording] [Congote] When the government and the CNG, which is formed by the Colombian guerrilla groups, decided to come to Caracas, there were no conditions to stop the war. That is why, while terrorist actions and kidnappings continue in Colombia, it was not until the third day of the talks that peace was discussed here. The first point in the agenda is a cease-fire, or the cessation of hostilities, but the ELN [Army of National Liberation] reiterated this morning that confrontation will continue. The ELN members do not seem too concerned when they are asked about the topic.

[ELN Spokesman Francisco Galan] The conflict continues in the country. At this time, the military offensive is general. Therefore, we have not suspended the fighting.

[Peace Adviser Jesus Antonio Bejarano] A cease-fire includes the halt to kidnappings, terrorism, attacks on towns and the civilian population, extortion, and intimidation. Therefore, it refers to more than the specific military confrontation.

[Congote] At the negotiations, the ELN continues to maintain that the exploitation of the Cano Limon oil pipeline is rational and that it will not permit the construction of the Colombia oil pipeline. It also maintains that in 1995, Colombia will be forced to import petroleum.

[Galan] [Words indistinct] whether we have resolved a structural and economic problem in this country, which is the plunder of the natural resources.

[Congote] Is this good business now?

[Galan] We shall see.

[Congote] At the last minute it was learned that the unexpected visit to Caracas by Antonio Navarro Wolff [M-19 leader and one of the Constituent Assembly presidents] was to propose to the CNG members that if in the immediate future they participate in the Constituent Assembly, they should support the election of a new Congress. He also proposed that those, who at this time, accept a peace process, should be permitted to participate in the next Congress. [end recording]

Rebels Consider Dissolution

PA0706041791 Bogota Inravision Television Cadena 1 in Spanish 0000 GMT 7 Jun 91

[Report by Gloria Congote]

[Text] For the very first time, the Simon Bolivar National Guerrilla Coordinating Board [CNGSB] has agreed to discuss topics that imply the possible dissolution of guerrilla groups such as FARC [Revolutionary Armed Forces of Colombia] or the ELN [National Liberation Army]. An agenda agreement was the first big step taken at the peace talks in Caracas. The first two points in the agreement are the study of models that will lead to a cease-fire and a ceasing of hostilities, and the guerrillas' participation in the Constituent Assembly.

It was announced in Caracas, that Antonio Navarro Wolff's visit was a failure. CNGSB representatives Alfonso Cano and Ivan Marquez did not like it. In their opinion, Navarro Wolff's views regarding the role that the National Constituent Assembly should play in this peace process widely differs from theirs. Despite the peace talks, however, there are still many differences.

First, the guerrillas have expressed a desire to make their pledges at the Constituent Assembly, without preestablished conditions. They would send Manuel Marulanda Velez, alias Tirofijo; former priest Manuel Perez; and Francisco Caraballo. Navarro did not support them on this point. It is now up to the government to find a way to make this happen.

Second, the guerrillas believe that the Constituent Assembly is afraid to touch the military forces, and that in the future, Colombia will come face to face with its reality regarding national security.

Third, Alfonso Cano and Ivan Marquez say that they would be very pleased if the defense minister or the general commander of the military forces were to sit at the negotiating table.

[Begin Cano recording] With the Constitution that is currently in force, Colombia's political decisionmaking powers belong to the president and his ministers. From there downward, everything is administrative. [end recording]

Fourth, the guerrillas have insisted on making all issues bilateral: cease-fire, the ceasing of hostilities, sovereignty, truce, and even political agreements.

Fifth, Cano, one of the most optimistic people at this peace process, is convinced that the government's representatives in Caracas are weak and unable to make decisions.

[Begin recording] [Congote] At this moment you can implement, for example, a cease-fire right here and now. Dr. Jesus Bejarano, however, cannot agree to a cease-fire on the spot.

[Cano] This happened in Cravo Norte. We can make that decision. We have the mandate to do so. [end recording]

Sixth, the members of the CNGSB said that Senator Alvaro Leyva, who is already in Bogota, came to Caracas on his own, not as the CNGSB's special guest.

Seventh, members of the FARC say that they are going to discuss an exchange of prisoners of war as a peace pledge at the negotiating table.

[Begin Marquez recording] This should not be alarming. We must consider the possibility of an exchange because there are members of the CNGSB in the custody of the Colombian authorities. [end recording]

[Paris AFP in Spanish at 2137 GMT on 6 June reports that a definition of cease-fire and a ceasing of hostilities has hindered the preparation of an agenda for the peace talks. The guerrillas are demanding a "bilateral" cease-fire and the government is opposed to this, said sources that asked AFP to withhold their names.]

Clashes for 29 May-2 Jun Period Summarized

PA0706024391

[Editorial Report] The following is a compilation of reports on government-rebel clashes and activities monitored from Colombian media from 29 May to 2 June:

Bogota EL TIEMPO in Spanish on 26 May on page 12-A, carries a 350-word report on several clashes with rebels throughout the country. The report says that the Colombian Army foiled an attack against the Cano Limon-Covenas oil pipeline in Toledo, Norte de Santander Department, inflicting six casualties on the 18 June Commission column of the National Liberation Army (ELN) en route to dynamite the pipeline. The report continues: "During the action, Jose Jurado, alias Walteros, the apparent leader of the column, was captured." Another 17 guerrillas were taken prisoner, including three women.

According to the report, the Army "seized one G-3 rifle, one Galil rifle, one M-1 carbine, two ammo clips, 20 7.62-mm cartridges, one 9-mm pistol, two revolvers, 10 mines, 10 grenades, two transceivers, binoculars, video cassettes, duffel bags, police uniforms, and ELN bracelets." The report adds that the Army also seized "electric cannon primers, slow-burning fuses, gunpowder, and documents of intelligence value."

EL TIEMPO continues to say that "in Pozo Azul, San Pablo jurisdiction, Bolivar Department, Nueva Granada Battalion soldiers killed two terrorists, one identified as 'Moises' of the 'Jose Solano Sepulveda' column" of the ELN; and in La Uribe, Meta Department, soldiers of Mechanized Brigade Number 1 "seized one ton of food stuffs that was hidden along the banks of Primavera creek."

The report concludes by stating that Junin Battalion soldiers seized four FAL rifle clips and 200 7.62-mm cartridges "during clashes with the Revolutionary Armed Forces of Colombia (FARC) in San Francisco, Planeta Rica jurisdiction, Cordoba Department."

Bogota Inravision Television Cadena 1 in Spanish at 1730 GMT on 30 May broadcasts a one-minute report saying that "rebels of the 21st Front of FARC attacked San Antonio in western Tolima Department." The rebels attacked the Agrarian Bank, the police station, and the mayor's office, "leaving two policemen wounded." The report notes that this is "the same group that destroyed the power plant that provides electricity to several jurisdictions in the southern sector of Tolima Department."

Bogota Radio Cadena Nacional in Spanish at 1200 GMT on 30 May carries a one-minute report saying that "one guerrilla was killed in clashes with the Rook Infantry Brigade, in San Pedro, Teorama jurisdiction, Norte de Santander Department." The report states that the rebel was a member of the Armando Cacua Front of the ELN, and that "during the operation, war materiel and documents that are being studied by secret organizations" were seized.

Bogota Inravision Television Cadena 2 in Spanish at 0000 GMT on 31 May carries a one-minute report which states that "two policemen were killed, four others were wounded, and another was kidnapped as a result of a violent incursion by FARC rebels in Huila Department." The report adds that "at 1030 on 29 May, 50 rebels of FARC's 17th Front attacked San Andres, Tello jurisdiction, in the northeastern sector of Huila Department."

Peru

Fujimori Visits Drug Trafficking Region

PY0606175491 Lima RTP Television Network in Spanish 0230 GMT 6 Jun 91

[Excerpts] President Alberto Fujimori, accompanied by 25 ambassadors accredited in Peru, verified today the deforestation by drug traffickers in the high Huallaga region. Fujimori said that the preservation of the environment is everyone's responsibility, especially if it is being destroyed by drug traffickers. He asked for international cooperation to replace coca in the Peruvian jungle.

[Begin recording] [Fujimori] The reason for this visit is to see the severe deforestation, which makes the soil very unstable, and the degradation of our environment, especially on the hillsides. We run the risk that the forest may become a desert. This is why I wanted to call the attention of all fellow countrymen, and especially the leaders of the developed countries, so that together we can resolve the problem of drug trafficking. This deforestation is caused by drug traffickers.

[Reporter] Breaking all protocol, more than 25 ambassadors are here in this so-called red zone. You have called upon the industrialized countries to assume their responsibility and help to prevent the deforestation, especially to help rescue youth. Can you explain why you made this call?

[Fujimori] I believe this is not just a Peruvian, but also an international responsibility. We take care of our ecology, but due to the implications of drug trafficking, with its international infrastructure, we need the cooperation of the developed countries. This is why I am emphasizing two important aspects associated with the environment: the defense of the ecology, and the protection of the beauty and the wealth of this region. It also involves the need to rescue and to defend the youth who run the risk of ruining their life through drug addiction.

[Reporter] During his lecture, the Air Force operations chief [not further identified] pointed out that the Air Force is withdrawing from the area due to low salaries and because the cost of living here is very high. Will anything be done about this situation?

[Fujimori] Yes, this situation deserves an explanation especially regarding the actions of the Air Force. As you heard during the lecture, the Tucano planes cannot be used at night. They are only used during daylight. The drug traffickers know this and consequently do not conduct daylight operations. They land on the roads at night. Therefore, we carry out surprise operations as we used to do. We were forced to change our strategy, due to the way drug traffickers are operating.

[Reporter] What about increasing salaries.

[Fujimori] We are considering that possibility for all the units operating in emergency zones. The Santa Lucia region fortunately has the support of the agreement reached with the United States.

[Reporter] When will the salary increase be implemented?

[Fujimori] To do that we have to seek a balance with the National Treasury. We are considering this very seriously.

[Reporter] How is the struggle against subversion being carried out?

[Fujimori] You heard during the lecture that the MRTA [Tupac Amaru Revolutionary Movement] operates from (Junjuy) toward the north and Shining Path operates toward the south. The police and military forces really control the area. This is a medium to long- term struggle, especially in this zone. This is why I hope the coca growers will be the main participants in the struggle so that, within the agreement with the United States, they can act legally to defend their land and maintain profitable agricultural production. [end recording] [passage omitted]

President Fujimori has called on the peasants of the region to cooperate in the preservation of the environment. He reiterated that the drug agreement signed with the United States will benefit the country.

[Begin recording] [Fujimori] Distinguished guests, this is a special occasion because today we celebrate the Day of the Environment. We have come to this base to become familiar with the details of the drug trafficking problem.

[Reporter] The president is now talking with a peasant who is harvesting coca. This is just a demonstration for the president and the other visitors to see how it is done. [passage omitted]

[Fujimori] The Amazon, with its great jungle, is the lung of the world. This region is vital for the future of humanity and it is being threatened by great dangers, which are changing the environment in an irreversible manner. One of the most serious dangers is drug trafficking because it destroys the forests and the rivers. My government, as everyone knows, is aware of this threat and has signed an agreement with the United States. We were motivated by our interest in establishing a different program from the ones established in the last few years; programs which have failed to eradicate the coca.

The figures on the growth of coca cultivation are the best indicators of the current situation. The plantations have increased from 45,000 hectares in 1980 to 210,000 hectares in 1990.

Disregarding the other problems related to drug trafficking, this progress shows the inefficiency of the old projects. It represented the destruction of the soil and forests as you have just seen, and this destruction is not just restricted to this region.

This is not the occasion on which to reiterate my government's position on the various questions posed by

various political groups. I just want to reiterate that this bilateral agreement, signed through the powers vested in the president under the Constitution, has some characteristics which have created concern. There are two forgotten participants in the drug trafficking problem: they are the peasant coca growers and the earth.

We have stated clearly that the peasants are the key element in the reduction of coca supply, but they are not the first link in drug trafficking. They are the valid example for replacing coca. Instead of considering them as enemies, the state should motivate them to become fully integrated in legal activities. The majority of the one million peasants are poor and exploited. They can participate either in the destruction or the defense of the ecology.

The other element is the earth which bears the forest. The agreement signed with the United States establishes the framework within which the actions for the conservation of the soil, the forests, and the protection of animal life will be drawn. Within this framework we hope to establish goals, with the appropriate budgets, to stop the destruction of our land and forests.

We do not discard the possibility of obtaining important deductions from the foreign debt, deductions that will be used for an ecological program. All Peruvians, and all the people of the world, must become aware of the process of deforestation in Peru and the future negative consequences. [passage omitted] [end recording]

Minister Rules Out Peace Talks With Terrorists

PY0706024091 Madrid EFE in Spanish 2210 GMT 5 Jun 91

[Excerpt] Santiago, 5 Jun (EFE)—Today, Peruvian Foreign Minister Carlos Torres y Torres Lara ruled out any possibility of the Peruvian Government holding peace talks with terrorist groups.

Speaking to reporters covering the 21st OAS General Assembly, Torres said: "Terrorism does not allow the possibility of holding a dialogue." He noted, however, that if these groups agreed to put down their weapons to form legal political movements, this position could change. Torres added: "We believe dialogue is always necessary, but these violent groups have not given any indication that would encourage us to move in this direction."

Torres also stated that terrorism will be defeated in Peru and noted that "the culture of violence should be replaced by a culture of peace." Torres added: "Terrorism is undoubtedly one of the main problems we are facing." He expressed his confidence that this problem will be overcome through President Alberto Fujimori's strategy of integrating "government, state, and nation." [passage omitted]

Senator Details Human Rights Abuses by Army

PY0406170091 Lima Radio Nacional del Peru Pachacutec Network in Spanish 1200 GMT 4 Jun 91

[Text] Senator Javier Diez Canseco Cisneros has reported that the Senate Investigative Committee has found that military troops were responsible for massacres in Cusco, Apurimac, and Ayacucho Departments. Diez Canseco also said that this committee, which is headed by Senator Gustavo Mohme, will extend its investigations into cases of alleged human rights violations in San Martin Department.

[Begin Diez Canseco recording] The unanimous conclusion of this committee—determined by Senator Ferrero from the Libertad Movement, Senator Chirinos from the American Popular Revolutionary Alliance, Senator Mohme from the United Left, and myself from the PUM [Mariateguist Unified Party]—is that members of the Army from the Antabamba or El Jaquira bases in Apurimac Department participated directly in last year's incident in Chumbivilcas in which several peasants died. The Army members were involved at a time when Chumbivilcas was not under a state of emergency, and they committed several murders, torture, and rape, all of which have been appropriately recorded.

The General Police and the Dircote [Counterterrorism Division] have also concluded that the Armed Forces participated in this action, and the prosecutor's initial report also arrived at the same conclusion. Unfortunately, the men who are directly responsible for these actions cannot be identified because General Petroneo Fernandez Davila, the political-military chief of Ayacucho at the time, has not revealed the names of the chiefs of the Antabamba and El Jaquira military bases when the incidents took place. The defense minister has also not disclosed this information. We plan to inform the judicial branch and the Chamber of Deputies so that they may adopt the necessary measures.

In the case of San Pedro de Cachi, it has already been confirmed that an Army Sergeant named Johnny Zapata, with the help of some members of the Army and the Peasant Defense Patrols from Huanta, was responsible for the murder of the people whose bodies were found in the graves in San Pedro de Cachi. This report has been passed to the prosecutor's office so legal action may be taken.

With the consent of the Senate, the committee extended its investigations into cases in Humaya and Chambara in Huaura, where six people were murdered in an operation that was initially blamed on the Shining Path. Recent investigations indicate that this was not the case. The hammer and sickle were painted incorrectly several times, and it was reported that President Gonzalo [nom de guerre of Shining Path founder and leader Abimael Guzman] conducted the operation. This is unthinkable for the Shining Path sect, which is very respectful of the kind of idol or God that Gonzalo represents for them. It would seem instead to be an operation carried out by the Armed Forces.

The committee is also investigating the arrests of 11 people and several teachers in San Martin Department who are now missing, including the case of Professor Tenorio Banda, who was thrown or who jumped from an helicopter as they were trying to kill him. [end recording]

Reportage on Activities by Shining Path Group

Soviet Technician Murdered

PY0606014291 Madrid EFE in Spanish 0012 GMT 6 Jun 91

[Text] Lima, 5 Jun (EFE)—Alleged members of the Shining Path terrorist group murdered Soviet technician Galina Ivanova Sovichenko in Lima today, after intercepting the automobile in which she was traveling.

The murder took place in Ate-Vitarte, a district on the outskirts of Lima, when an automobile carrying four persons intercepted the Soviet technician's car and opened fire.

Galina Ivanova, who was hit by three bullets, worked as a technician in the Peruvian firm Union Textiles, according to the Peruvian National Police.

The subversives left pamphlets at the scene of the murder which stated that the technician "abused the workers" and "killed the workers of the people."

Galina Ivanova is the third foreigner to be murdered by the Shining Path since 17 May 1991. On that day, they killed Canadian Norman Tartersall and seriously wounded Colombian Jose Chuquin, members of World Vision, an international development and social aid organization.

On 21 May, the Shining Path murdered five persons, including Australian nun Irene MacCormack, a member of the order of Saint Joseph of the Sacred Heart, in Huasahuasi in the Peruvian central mountain range.

Guerrilla Arrested

OW0506061391 Tokyo KYODO in English 0458 GMT 5 Jun 91

[Text] Lima, June 4 KYODO—An alleged agent of a Peruvian antigovernment leftist guerrilla group has been arrested just prior to departure for Japan to undergo technical training sponsored by a Japanese Government affiliated organization, Peruvian newspapers reported Tuesday.

Magda Mateo Bruno, 37, described as a senior member of the Sendero Luminoso (Shining Path), a Maoist guerrilla group, was reportedly arrested at an international airport in Lima on May 8 as she was about to leave for Japan, where she was to study as a technical trainee, under the sponsorship of the Japan International Cooperation Agency (JICA).

The reports said Bruno was to receive training, with the financial support of the Japanese Government, at an international training center in Nagoya from last month through next August.

The guerrilla agent apparently passed the examination for prospective trainees, which was held earlier by the Peruvian Foreign Ministry.

The Japanese Embassy in Lima has asked the Peruvian Foreign Ministry to explain how Bruno was able to fulfil the examination requirements.

The Peruvian newspaper reports described Bruno as a member of an information analysis organisation directly owned by the central committee of the Sendero Luminoso, which was formed in the 1960s with the aim of overthrowing the government.

Terrrorists Kill 18

PY0606002191 Madrid EFE in Spanish 1659 GMT 5 Jun 91

[Excerpt] Lima, 5 Jun (EFE)—Officials have confirmed that personnel of the Peruvian Shining Path armed organization have murdered 18 people during the past few hours and that the police have detained 90 members of the Tupac Amaru Revolutionary Movement (MRTA).

The National Police also reported today that three "Shining Path" members were detained in San Martin Department.

Fifteen of those murdered were members of the Peasant Defense Patrols, the civilian militia who fight that subversive Maoist group in Peru's rural areas.

A heavily armed "Shining Path" column on 3 June attacked the small town of Alto Chavini, in the jungle province of Satipo, and killed the 10 militia personnel after submitting them to a "people's trial."

Five more Peasant Defense Patrol members were tortured and murdered the same day in the town of Ulcumayo.

Several "Shining Path" terrorists on 2 June entered the house of former policeman Manuci Vargas in Concepcion, killing him and two of his children.

These three towns are located in Junin Department (in the central mountain region of Peru), where the Army is training the "Peasant Defense Patrols" and arming them with shotguns. [passage omitted]

Townships Attacked

PY0406233891 Madrid EFE in Spanish 0301 GMT 4 Jun 91

[Text] Lima, 3 Jun (EFE)—The police reported today that an alleged group of Shining Path terrorists murdered a woman, destroyed stores, and threatened officials and residents with death during attacks in several Peruvian zones over the past 24 hours.

On the evening of 1 June, a Shining Path column attacked the township of Huanta, in the Andean Department of Ayacucho, and shot to death Elisa Ataupilco, mother of eight children and relative of Santiato Huayllasca, the local subprefect (civilian deputy governor), because she refused to reveal the whereabouts of Huayllasca, whom the terrorists wanted to kill. Police sources said that the terrorists then hurled explosives and burned one grocery store and two libraries, where they destroyed books and notebooks.

Before leaving Huanta, the terrorists painted slogans against the municipal elections scheduled for August on the walls of the market and threatened to kill all local authorities and residents who voted.

The same day, alleged Shining Path terrorists seriously injured Felix Tupia in Ichubambilla, south of Ayacucho, capital of Ayacucho Department, 575 km southeast of Lima. Tupia was a member of the civilian militia known as the Peasant Defense Patrol, which opposes the terrorist groups. Terrorists also destroyed two high-tension pylons causing a blackout in Ayacucho.

Police sources from Puno, in southern Peru, on the border with Bolivia, have reported that Shining Path terrorists threatened to kill Teofilo Mayta, mayor of the township of Azangaro. They asked him to submit his resignation within 15 days.

In Lima, alleged terrorists fired at Superior Court President Luis Almenara's car, which was parked outside his house in the Lima District of San Borja.

According to a statistical report released by a special congressional commission, political violence in Peru has already claimed the lives of over 22,000 people and caused damage totaling more than $18 billion over the past 11 years since the Shining Path terrorist organization began its armed struggle on 17 May 1980.

Army Kills Six Members

PY0106224491 Madrid EFE in Spanish 0023 GMT 1 Jun 91

[Excerpt] Lima, 31 May (EFE)—Military sources reported today that six terrorists were killed in a clash between an Army patrol and members of the Shining Path terrorist group. The clash occurred in a settlement of the Huanuco Department on the Peruvian mountains.

The clash occurred yesterday at Pacayhua, in southern Huanuco Department. A Shining Path column entered the settlement, held the residents at gunpoint, and imprisoned the local officials.

When the terrorists were about to kill the officials at the local square, members of a peasant defense patrol, who fight the subversives, arrived on the scene and shot at the terrorists, thus preventing them from killing the officials.

ANDINA press agency has reported that a military patrol from Los Avelinos barracks—which is based at the town of Huanuco, capital of Huanuco Department—heard the shots, went to the square, and killed six of the terrorists, while the others escaped. [passage omitted]

Uruguay

Lacalle Does Not Discard Cabinet Reshuffle

PY0306165691 Montevideo Radio El Espectador Network in Spanish 1000 GMT 3 Jun 91

[Excerpts] A cabinet reshuffle resulting from the process of approving the public enterprise law cannot be ruled out. There are no names of future ministers or possible ministerial rearrangements being mentioned, but there is a possibility of technicalizing the positions. This does not mean that there will be no changes in the future, although the method of making a political trade-off to achieve a consensus will not be used. This position was made clear by President Luis Alberto Lacalle in a television interview with Jorge Traversu last night and in answering questions over the last few hours.

Regarding recent comments by former President Julio Maria Sanguinetti on the current government and the state reform bill, Lacalle expressed his surprise over the change in attitude of groups which from the beginning supported the reform but are now voicing their opinions against privatization in premature preelectoral activity.

Lacalle did not rule out the possibility of the future reform law—which he considers essential for the future of the country—becoming a victim of differences between the Colorado Party factions headed by Sanguinetti and Jorge Batlle. [passage omitted]

Regarding the National Party's internal situation, Lacalle played down differences with the Rocha Movement, pointing out that this movement, which is headed by an honest man, is still one of the two branches of the party.

Senate Postpones Debate of State Reform Bill

PY0506040091 Montevideo Radio Carve in Spanish 0000 GMT 5 Jun 91

[Excerpts] Debate of the state reform draft bill has been postponed again, this time for 48 hours. Shortly before the bill was raised for debate in the Senate, Juan Pablo Millor proposed a recess for this week and that the modified text be submitted to the corresponding committee. [passage omitted]

Millor's motion did not fare well; however, a proposal made by Senator Federico Bouza on postponing debate of the project until 6 June was approved. [passage omitted]

Lifting of Sanctions Against Iraq Authorized

PY0706001891 Montevideo EL PAIS in Spanish 31 May 91 p 9

[Text] President Luis Alberto Lacalle has issued a decree which authorizes the Foreign Ministry to announce the

lifting of sanctions against Iraq when it is deemed appropriate. This decision was made with the consent of the Council of Ministers.

Our country respected all UN-imposed sanctions on Iraq during the recent war and ordered trade restrictions and prohibitions against that country.

The president states in the decree that "the Foreign Ministry will announce the lifting of prohibitions and/or limitations on imports and exports to and from the Republic of Iraq and on arrangements of related financial transactions."

Lacalle Installs Mercosur Committee

PY0106025091 Montevideo Radio Carve in Spanish 0000 GMT 1 Jun 91

[Report by Lino Corvo]

[Text] The president of the Republic has delivered a political message calling for the end of grudges [word indistinct] and urging everyone to join efforts in the pursuit of national objectives. The president delivered this message at the ceremony installing the Mercosur [Common Market of the South] Interministerial and Intersectorial Committee.

The committee will discuss alternative (?measures) for the (?interpretation) of the integration process. President Lacalle urged the people to modernize and [word indistinct] the country and not to act as enemies but as allies. [recorded passage indistinct]

Favorable Balance of Trade Registered in 1990

PY3105225491 Montevideo BUSQUEDA in Spanish 23-29 May 91 p 23

[Summary] The Central Bank of Uruguay, BCU, has reported a surplus of $82 million in the 1990 balance of payments. The surplus results from a current account surplus of $224 million plus a favorable balance of $125 million in the "errors and omissions" column, minus a deficit of $267.4 million in the capital account. This BCU report is based on the IMF-designed method for keeping tabs on the balance of payments.

Suriname

Plot To Assassinate Desi Bourterse Reported

FL0606125491 Bonaire Trans World Radio in English 1130 GMT 6 Jun 91

[Text] The Suriname News Agency says a plot has been uncovered to assassinate military leader Desi Bouterse. Radio Nederland says this comes among rumors of dissension among the high-ranking officers. Mr. Bouterse's advisors plan to hold a news conference today to discuss it.

Government Charges U.S. With Plot

PY0706034091 Madrid EFE in Spanish 0312 GMT 7 Jun 91

[Text] Paramaribo, 6 Jun (EFE)—Diplomatic sources reported today that the Surinamese Government is charging the United States with plotting to kill Colonel Desi Bouterse, Surinamese "strong man" and Army chief.

Acting Surinamese Foreign Minister Jules Wijdenbosch summoned U.S. Ambassador John Leonard to his office on 3 June to express the Surinamese Government's formal protest over the alleged plot.

The sources added that during the meeting Leonard denied the existence of a plot to assassinate Bouterse, who has dominated the Surinamese political scenario for over a decade.

During a news conference today, Bouterse aide Henck Herrenberg said that Bouterse's assassination had been plotted in the United States and that the assassins could be drug traffickers seeking vengeance. Herrenberg also accused the Netherlands, the old colonial power in Suriname, of being involved in the plot.

Some time ago Bouterse and the opposition guerrilla "Jungle Commando" movement, which is headed by Ronnie Brunswijk, accused each other of being involved in drug trafficking.